

LEGAL SERVICES CORPORATION  
BOARD OF DIRECTORS

MEETING OF THE BOARD OF DIRECTORS  
OPEN SESSION

Saturday, November 11, 2000

10:00 a.m.

Marriott at Metro Center  
12th and H Street, N.W.  
Washington, D.C. 20002

BOARD MEMBERS PRESENT:

Douglas S. Eakeley, Chair	John McKay
F. William McCalpin	Hon. John N. Erlenborn
Hulett H. Askew	Hon. John Broderick, Jr.
Nancy H. Rogers	Edna Fairbanks-Williams
Maria Luisa Mercado	Ernestine P. Watlington

STAFF AND PUBLIC PRESENT:

Esther Lardent, President of the Pro Bono Institute  
Bonnie Allen, National Legal Aid & Defender Association  
John Russenello, Russenello Research  
Edouard Quatrevaux, Inspector General  
Robin Dafoe, The Legal Aid of Ontario  
Leonard Koczur, Inspector General Designate  
Victor Fortuno, General Counsel  
David Richardson, General Counsel

## C O N T E N T S

	PAGE
Approval of Agenda	3
Approval of Minutes of Board's Meeting of 9/18/00	6
Approval of minutes of the Executive Session of Board's Meeting of 9/18/00	8
Scheduled Public Speakers	9
Chairman's Report	48
Members' Reports	52
Inspector General's Report	56
President's Report	59
Consider and Act on the Report of the Board's Committee on the Provision for the Delivery of Legal Services	74
Consider and Act on the Report of the Board's Operations and Regulation Committee	75
Consider and Act on the Report of the Board's Annual Performance Reviews Committee	80
Consider and Act on the Employment Status of the President and Inspector General	81
Consider and Act on Other Business	113
Public Comment	
MOTIONS: 3, 6, 7, 8, 51, 79, 82, 84, 110, 112, 144	

1 P R O C E E D I N G S

2 CHAIR EAKELEY: All right, I'd like to call the  
3 meeting to order. Welcome, and good morning, everyone.

4 LaVeeda Battle could not be with us this weekend  
5 because of a family conflict. John Erlenborn is at a  
6 breakfast meeting with one of his classes, and will be here  
7 as soon as that is concluded. And Tom Smegal, who was with  
8 us yesterday had to return to California for an important --  
9 a very important -- partner meeting that was mandatory for  
10 all partners.

11 So otherwise, we are here, and those of us who are  
12 here are called to order and asked, as the first order of  
13 business, for a motion to approve the agenda as submitted.

14 M O T I O N

15 CHAIR EAKELEY: I have one other thing to add,  
16 which is in the other business, in the open session part of  
17 the calendar, but item 12, "Consider an act on the employment  
18 status of the president and inspector general" should  
19 basically be changed to read, "Consider an act on the  
20 tendered resignation of the inspector general."

21 And under item 16, other business, I would propose  
22 that we amend that to read, "Consider and act on the

1 appointment of an acting inspector general."

2 MS. FAIRBANKS-WILLIAMS: Moved.

3 CHAIR EAKELEY: There has been a motion by Ms.

4 Fairbanks-Williams? Is there a --

5 MS. WATLINGTON: Second.

6 CHAIR EAKELEY: Second by Ms. Watlington. All in  
7 favor?

8 (Chorus of ayes.)

9 CHAIR EAKELEY: Opposed?

10 (No response.)

11 CHAIR EAKELEY: The ayes have it, and now we're to  
12 item two, "Approval of minutes of the board's meeting on  
13 September 18, 2000. Those were circulated in advance of the  
14 meeting. Are there any corrections, additions, deletions?  
15 Mr. McCalpin?

16 MR. MCCALPIN: Let me find it. On page 29, there  
17 is a statement that -- determining that the finance committee  
18 had concluded its business, Ms. Rogers adjourned the  
19 committee's meeting.

20 I didn't understand that there was a separate  
21 meeting within the meeting to be adjourned. I thought that  
22 we were sort of sitting as a committee of the whole. I

1 didn't think that there was a formal commencement of a  
2 committee meeting, and I was wondering about the adjournment  
3 of a committee meeting.

4 MS. MERCADO: You're correct. We just decided to  
5 take up the business of the finance committee, and the full  
6 board, is what I recollect.

7 CHAIR EAKELEY: Victor, do we have to have the  
8 finance committee meeting?

9 MR. FORTUNO: Well, that's simply what the minutes  
10 -- the minutes simply reflect what the transcript says.  
11 That's the way it was approached.

12 CHAIR EAKELEY: Mr. Fortuno advises that that's the  
13 way the transcript reads, but I think, Nancy, whether you --

14 MS. ROGERS: I think it was suggested to me that I  
15 do that, and so if I didn't have the power to do it, I am  
16 happy to -- wasn't mentioning that I did something that I  
17 didn't have the power to do. MR. MCCALPIN: I

18 just didn't understand that there was a meeting of the  
19 finance committee which had been initiated.

20 CHAIR EAKELEY: I think we, in fact, convened the  
21 finance committee as part of the meeting of the board, and  
22 went through that committee's agenda, and then as if the

1 committee were recommending, we voted on the motion at the  
2 time. So --

3 MR. MCKAY: Finance committee business was taken up  
4 by the board.

5 CHAIR EAKELEY: The whole board?

6 MS. ROGERS: Yes.

7 MR. MCKAY: If you could just -- in reference to  
8 the minutes, I think the reference to adjourning the meeting,  
9 you can just delete that from the minutes, and then we'll  
10 solve the problem.

11 M O T I O N

12 CHAIR EAKELEY: We don't we just take out that  
13 whole sentence?

14 MR. MCKAY: Yes.

15 MS. ROGERS: That is fine with me.

16 CHAIR EAKELEY: All those in favor of --

17 MR. MCCALPIN: I move.

18 CHAIR EAKELEY: That's a motion by Mr. McCalpin.

19 MS. ROGERS: Second.

20 CHAIR EAKELEY: And a second by Ms. Rogers. And  
21 all those in favor of amending the minutes -- are there any  
22 other amendments to the minutes that need to be made?

1 (No response.)

2 CHAIR EAKELEY: All right, those in favor of  
3 amending the minutes on page 29 to delete the sentence  
4 determining that the finance committee had concluded all  
5 business, say aye.

6 (Chorus of ayes.)

7 CHAIR EAKELEY: Opposed?

8 (No response.)

9 CHAIR EAKELEY: The ayes have it. You also had  
10 circulated minutes of the executive session.

11 M O T I O N

12 MR. MCCALPIN: Well, I move we approve the minutes  
13 as amended.

14 CHAIR EAKELEY: Thank you, sir.

15 MS. FAIRBANKS-WILLIAMS: I'll second it.

16 CHAIR EAKELEY: All those in favor of approving the  
17 minutes as amended?

18 (Chorus of ayes.)

19 CHAIR EAKELEY: All those opposed?

20 (No response.)

21 CHAIR EAKELEY: The ayes have it.

22 Item three, approval of minutes of the executive

1 session of the board's meeting on September 18th. Any  
2 corrections, changes, deletions?

3 (No response.)

4 M O T I O N

5 CHAIR EAKELEY: Hearing none, is there a motion to  
6 approve the minutes of the executive session?

7 MS. MERCADO: So moved.

8 CHAIR EAKELEY: Ms. Mercado so moved.

9 MS. FAIRBANKS-WILLIAMS: Second.

10 CHAIR EAKELEY: And Ms. Fairbanks-Williams  
11 seconded. All those in favor?

12 (Chorus of ayes.)

13 CHAIR EAKELEY: Opposed?

14 (No response.)

15 CHAIR EAKELEY: The ayes have it, the minutes are  
16 approved.

17 Now, we move into scheduled public speakers, and  
18 right on cue, I wanted to ask to come up to the podium Esther  
19 Lardent, representative of the ABA standing committee on the  
20 Legal Aid and Indigent Defendants, as well as executive  
21 director of the Pro Bono Institute and many other very  
22 praiseworthy organizations. Good morning, Esther.



1                   MS. LARDENT: Good morning. We're slightly  
2 windblown and definitely not quite awake.

3                   I really don't have any particular issue to take up  
4 with you at all, I just want to bring you greetings from our  
5 chair, Jonathan Ross, who unfortunately wasn't able to  
6 attend, but who asked me to attend in his stead, and just to  
7 let you know how much we value our relationship with this  
8 board and with the corporation.

9                   And while we're in a time of uncertainty, we know  
10 that we're going to be very busy in the months ahead dealing  
11 with some new administration, and obviously SCLADE plans to  
12 be very active with respect to the transition, with respect  
13 to educating a new administration in leadership and getting  
14 their support for legal services, and so we want to work with  
15 you in every way that we can to do that.

16                  CHAIR EAKELEY: Thank you very much. We enjoyed  
17 your presentation yesterday wearing a different hat on the  
18 corporate pro bono project.

19                  I think it's fair to say -- it goes without saying,  
20 but I'll say it anyway -- we share SCLADE's view of our  
21 relationship, and it is a very important part of our  
22 institutional support and reference points. So thank you for

1 coming, give our regards to Jonathan and your members.

2 MS. LARDENT: Well, thank you.

3 CHAIR EAKELEY: Next, I'd like to invite Bonnie  
4 Allen to come up. Not -- Bonnie's not here yet? Okay. And  
5 John Russenello, from Russenello Research, I think was -- was  
6 John coming -- going to be speaking with Bonnie?

7 PARTICIPANT: No, he's not going to be --

8 CHAIR EAKELEY: Not here? Okay. I don't want to  
9 put her on the spot, but we have a visitor from the province  
10 of Ontario, Robin Dafoe, who is the corporate secretary of a  
11 new organization called The Legal Aid of Ontario. And Ms.  
12 Dafoe, welcome.

13 MS. DAFOE: Thank you.

14 CHAIR EAKELEY: And good morning.

15 MS. DAFOE: Hi. I was alerted to the potential for  
16 this by John, so I did think a little bit about it. I'd like  
17 to start by thanking everyone for inviting me here, inviting,  
18 I guess, our chair, Sidney Linden.

19 He's the -- he was the chief judge of the province  
20 of Ontario's court of justice, and was recently, less than  
21 two years ago, appointed as the chair of the Legal Aid  
22 Services board in Ontario. He sends his regards and I can

1 tell that after being here for a couple of days, he will be  
2 interested in coming back. So I don't think you've heard the  
3 last from Ontario.

4 Thanks to Bill and to Maria Louisa. I met them in  
5 Quebec, and at the conference there, the Canadian conference,  
6 and I believe John has been to one in the past, but I wasn't  
7 at that one.

8 I guess I would give a little bit of context to my  
9 position in Ontario. The corporate secretary is an officer  
10 appointed by the board. And so I work for the chair and the  
11 board. It's a little bit different.

12 And so I came here to learn about -- and apologize  
13 for my voice -- I came here to learn about how you operate,  
14 how your board functions, how your committee's are  
15 structured, and I've learned a great deal. You're very  
16 efficient, your committee works -- your committees yesterday  
17 were very impressive, and so I'll take back some of the ideas  
18 that I learned.

19 During the past year, we didn't have a president.  
20 The corporation was created, as I said, less than two years  
21 ago. The board was fully appointed last January, and the  
22 president left at the end of March.

1           So the chair in Ontario is a full-time position,  
2   salaried, paid position, stepped in and did the CEO's  
3   responsibilities as well. So for the last number of months,  
4   we've been busy with the operational side of the business.

5           And in Ontario, that involves -- we have 70  
6   community legal clinics, which I think are similar to your  
7   programs, you call them. We have 50 area offices which  
8   support our judicare program, and that is the majority of the  
9   work that we do, it's more than 50 percent of our budget.

10          Our budget is \$270 million for the province, of  
11   which \$230 million is provided by the province, and the rest  
12   comes from what you would call IOLTAs, or most of it from the  
13   Law Foundation, we call it there.

14          We also have staff lawyers, duty counsel, which we  
15   have in all court -- most locations to provide services to  
16   people who come in without a lawyer, and either direct them  
17   to the community legal clinics, the judicare lawyers, or to  
18   help them that day in the court. So that's a pretty  
19   comprehensive system as well.

20          And we also provide services, the corporation  
21   provides services to all of those service providers. So we  
22   have a little more responsibility, I guess, beyond the

1     granting role that you have. We have that as well, but we do  
2     some services.

3                 So I've learned a great deal about all of the  
4     aspects of your business, and we had Stephen Orchard from  
5     England and Wales come to speak at a conference recently.  
6     And after being here and listening to Stephen, it's obvious  
7     that all jurisdictions are looking at the same issues, you  
8     know, needs assessments, trying to justify getting the money,  
9     quality assurance, trying to justify keeping the money, and  
10    you know, making the whole system work better.

11                And it's obvious that we're all committed to client  
12    services, getting the needs of those who need it, low income,  
13    disadvantaged individuals in our community the legal services  
14    they so much need. And so I hope we can continue to interact  
15    and share ideas for the achievement of that goal.

16                So, thank you very much for having me. It's been a  
17    really good experience. Thanks.

18                CHAIR EAKELEY: Thank you. I understand that the  
19    \$270 million is spent on both civil and criminal legal  
20    representation.

21                MS. DAFOE: That's correct. The judicare system  
22    supports the criminal and family. Our community legal

1 clinics do the other civil. They don't do the family, like  
2 your programs do.

3 CHAIR EAKELEY: Is it possible to break out the  
4 amount of funding spent on civil, which includes family, or -  
5 -

6 MS. DAFOE: Which includes family? We could do  
7 that.

8 CHAIR EAKELEY: I'm just looking the operability --

9 MS. DAFOE: We look at our judicare budget, you  
10 know, family and criminal, and then the community legal  
11 clinics. But we could look at how much money is spent on  
12 family certificates and combine that with  
13 our --

14 CHAIR EAKELEY: I'm just curious to see -- we spend  
15 a lot of time trying to develop comparative analyses of  
16 resources made available to address needs of given poverty  
17 populations. I'm not sure what the population of the  
18 province of Ontario is --

19 MS. FAIRBANKS-WILLIAMS: That was the question I  
20 was going to ask.

21 MS. DAFOE: The poverty population? No, I don't  
22 know that off the top of our head -- my head. Our general

1 population is about 12 million to 14 million, but what  
2 percentage of that --

3 CHAIR EAKELEY: But by the sound of it, you're not  
4 as resource-challenged as we are.

5 MS. DAFOE: Not currently, no. We've had some  
6 crises. In 1995, funding was slashed and we're building back  
7 as well. But no. Currently, we're in a very good financial  
8 situation. We actually can't spend our money as fast as we  
9 want to. But that's --

10 CHAIR EAKELEY: Would you like some help?

11 (Laughter.)

12 MS. DAFOE: We are expanding. We're opening  
13 another number of clinics, community legal clinics, in the  
14 next year, because of this money. But it takes a while to  
15 get those programs up and running and staffed, and their  
16 community boards, and that whole process takes time.

17 CHAIR EAKELEY: Well, we appreciate your coming. I  
18 think we have a lot to learn as well, and Bill McCalpin, who  
19 has been paying an annual visit  
20 to --

21 MS. DAFOE: Well, I --

22 CHAIR EAKELEY: -- Canada, comes back, and then --

1 and then has actually brought Maria Louisa with him -- and  
2 comes back aglow with the experience. And I can see why.

3 MR. MCCALPIN: Two points I would make is that they  
4 do a lot of what they call alien representation, which --

5 MS. DAFOE: Immigration --

6 MR. MCCALPIN: -- we have largely denied --

7 MS. DAFOE: That's correct.

8 MR. MCCALPIN: -- to do, and that's a very  
9 substantial part of their representation.

10 Secondly, they do a lot of work with what, in  
11 Canada, they call aborigines, that we call Native Americans.

12 MS. DAFOE: Yes, special programs.

13 MR. MCCALPIN: And there is a very substantial  
14 amount of work, particularly in northern Ontario, I think.

15 So in those areas, their representation is somewhat  
16 different than ours, quantitatively.

17 MS. DAFOE: Yes. On the -- the community legal  
18 clinic budget is about \$38 million, and we're infusing  
19 another -- about \$10 million into that in the next year. So  
20 that -- just to give you a sense of the civil commitment.  
21 But it's an exciting time of growth in Ontario.

22 CHAIR EAKELEY: Any other questions or comments?



1     No?   John?

2                   MR. MCKAY:   I would just like to thank Robin for  
3     coming and her -- the new program in Ontario, we congratulate  
4     you on its formation.   We have an interest in maintaining  
5     staff-level contacts with the plans in Canada, based on your  
6     experience with the federal organizations through Ab Curry --

7                   MS. DAFOE:   That's right.

8                   MR. MCKAY:   -- whom Bill introduced me to on a  
9     previous visit.   I think the analytical capabilities in your  
10    system are superior to ours, and we have a lot to learn from  
11    you, and much of which we can and should emulate.

12                   And I think that our board should be aware that we  
13    believe that there is substantial value in maintaining these  
14    kinds of contacts.   Not just for shared experiences, but for  
15    issues such as analytical, structure, comparability.   And in  
16    that sense I mean resource comparability --

17                   MS. DAFOE:   Exactly.

18                   MR. MCKAY:   -- that exists between programs here in  
19    the United States, programs in Canada, England, and Europe,  
20    and that we really need to keep those kinds of contacts.   And  
21    they're hungry, I think, for that information from us.

22                   MS. DAFOE:   Yes.

1           MR. MCKAY: And I wanted to thank you for coming.

2           MS. DAFOE: Yes, definitely. Thank you for having  
3 me.

4           CHAIR EAKELEY: Next I'd like to invite Bonnie  
5 Allen, from the National Legal Aid and Defender Association  
6 to come to the -- I keep saying -- it's not a podium, is it?  
7 It's a table. It's a table in front of us with a -- good  
8 morning.

9           MS. ALLEN: Thank you. Good morning. It's great  
10 to be here. Thank you for the invitation to present.

11           I'm Bonnie Allen. I work at the National Legal Aid  
12 and Defender Association. And part of my work there is on  
13 the Project for the Future of Equal Justice, which I believe  
14 you've heard a little bit about in prior reports.

15           So I'm not going to go into a lot of detail, other  
16 than just to say that the project is a project that was  
17 funded several years ago by the Ford Foundation and the Open  
18 Society Institute that is designed to help our entire  
19 community build capacity in this rapidly changing environment  
20 of civil legal services with an emphasis, in particular, in  
21 the areas of technology and resource development.

22           And I have worked on the resource development

1 angle, trying to help cultivate our landscape nationally, as  
2 well as at the state level, that will help our programs raise  
3 support, both financial support, pro bono support, and  
4 ultimately, political support at the state legislative level.

5           What I'm going to talk about today is a very  
6 interesting project that started about a year, or a year-and-  
7 a-half ago, that's a public opinion research project.

8           It was -- we went into the research with the  
9 intention of trying to really talk to the public about legal  
10 services, what is it, what are the attitudes, what are the  
11 currents of public opinion, what are the attitudes that folks  
12 have about legal aid that aren't immediately involved in it?

13

14           And it's been a very, very interesting process. So  
15 I'm going to tell you just a little bit this morning about  
16 why we engaged in the public opinion research, what -- how we  
17 went about doing that, what the process was, what the  
18 research findings are, and then finally, where we're going  
19 with all this, what our plans are in terms of developing  
20 specific communications products for various groups at the  
21 national, state, and local level.

22           The -- in terms of why we did a national study,

1    this is a situation where it was very ground-up, very much of  
2    a grass roots request to some of us that work at the national  
3    level to begin to talk to the public about legal aid, find  
4    out how much support there really is out there, and then  
5    develop some very specific communications materials to help  
6    programs, particularly at the state and local level, raise  
7    money, and develop public support.

8                So this was a response to a request that really  
9    came from the field. We wanted to raise public awareness  
10   about civil legal aid at the national level, to reinforce  
11   that it is, in fact, an issue of great national importance,  
12   great public importance.

13               And secondly, to provide a research basis for state  
14   and local groups to develop integrated marketing strategies,  
15   to get the message out to the public and to targeted  
16   audiences of supporters about why it's so important to  
17   support legal services through fundraising, through pro bono,  
18   and ultimately through legislative initiatives.

19               In both cases, the research and the message  
20   materials that we produce at the end of this process will  
21   provide an umbrella, or a national branding, for legal aid.

22               It's sort of the United Way approach, that while

1 we're all -- while our programs are very community-based and  
2 have relationships at the local level and are serving clients  
3 at the local level, that in fact, they are part of this sort  
4 of a United Way-type of approach, that there is, in fact, a  
5 national branding as well as a local branding for legal  
6 services.

7           In terms of how we went about doing the research,  
8 we talked to a number of public relations firms, and ended up  
9 hiring Belden Russenello & Stewart, a local firm here, a very  
10 small firm, that specializes in public interest research, and  
11 even more specifically, has done a lot of work in law-related  
12 areas.

13           They've worked on judicial independence, they've  
14 worked on juvenile justice issues, they've done research on  
15 various indigent defense issues and death penalty issues, and  
16 so they're very, very steeped, in terms of background, in  
17 these related areas.

18           And the first step that the Russenello firm took --  
19 well, we didn't want to enter this as though -- in a vacuum,  
20 as though there had never -- there was not already some  
21 information out there on at least related issues to legal  
22 aid.

1           So they did an assessment of current, or pre-  
2   existing public opinion polls that had already taken place.  
3   And the ABA had done some polling in the past, the ACLU had  
4   done some polling in the past.

5           None of them were really completely on point. None  
6   of them specifically probed the issue of legal aid, but there  
7   were some questions and some findings that came out of those  
8   polls that were relevant to people's confidence level, or  
9   lack thereof, in the court system, whether the public  
10   perceived that people were treated fairly, that sort of a  
11   thing.

12           Then went out and talked, interviewed, a number of  
13   different folks, both volunteers and staff people who work in  
14   the legal services system. And those interviews reinforced  
15   the need for this kind of work, that in fact there was a real  
16   cry for some kind of national research and materials to help  
17   programs at the local level.

18           And so, on the basis of that, we went out and  
19   talked to the public. Conducted 10 focus groups in 5  
20   different cities, did a national telephone survey of 1,200  
21   people, and then we -- and finally, we tested, on the basis  
22   of the information and the results that came out of the poll

1 and of the focus groups, we then tested specific messages and  
2 graphics in two additional focus groups, just recently.

3 And so I'm going to give you just a few highlights.

4 Unfortunately, John Russenello, who is -- who did the actual  
5 research and is our consultant on the project -- some of you  
6 may have heard John present in other places. He does an  
7 excellent job with overheads. John was not available today,  
8 so I'm really here, sort of standing in for John. But I'm  
9 going to attempt to just give you a few highlights of the  
10 research.

11 There will be a full report at the NLADA conference  
12 this release. And if any of you want the full report, you  
13 can just contact me. And I have a hand-out that I'll send  
14 around at the end of this that has my contact information.

15 I'm just going to give you a few highlights of the  
16 research, and then -- John, can you -- and then talk a little  
17 bit about where we're going, in terms of implementing a  
18 communications initiative.

19 It's -- the great thing about talking about this  
20 project is that the news is really, really positive. I mean,  
21 we have extremely strong public support for civil legal  
22 services for low-income people. Eight-nine percent of the

1 public -- and this was consistent in the polls, and  
2 reinforced by the focus groups -- eighty-nine percent of the  
3 public believes in the work that we do.

4           When the information is added, specifically that  
5 this is a government-funded program, a taxpayer-funded  
6 program, that support goes down a little bit, but only a  
7 little bit, six percent.

8           So 82 percent of the public -- and this was a  
9 bipartisan poll, conservative, liberal, men, women supports  
10 civil legal services for low-income people, 82 percent. The  
11 values that underlie this support are fairness and  
12 responsibility to help other people.

13           Now, the challenges that we face, in terms of  
14 educating the public and communicating the public about this  
15 work are -- they really fall into three categories.

16           One is -- and this, I think, is really the most  
17 serious obstacle -- people don't know about us. When you  
18 describe the work that legal services programs do, people are  
19 with us. But we're sort of invisible. You know, we're not  
20 Habitat for Humanity quite yet, you know, and we're not -- we  
21 don't have visibility in terms of an important public  
22 service.



1           And so the biggest challenge, really, is the level  
2   of awareness, and also there's a lack perception of the need,  
3   which I'll talk about a little bit more in a minute.

4           The second area of challenge relates to this anti-  
5   litigation sentiment that is really not about legal aid, but  
6   it's about lawyers, and it's about the legal aid system.

7           We are, unfortunately, subject to the public's  
8   overall concerns about the fact that there are too many  
9   lawsuits, or their perceptions that there are too many  
10   lawsuits. That's not a legal aid issue, that's a legal  
11   system issue, but we get wrapped up in that.

12           And then third, there are concerns about the cost  
13   of another government program. So we do have to deal with  
14   that and have ways to talk about it as a private/public  
15   partnership, and as a community-based non-profit.

16           There is broad -- another area of findings that we  
17   tested -- there is broad support for a full range of  
18   advocacy. We did test the restrictions somewhat.

19           We did -- that was not the focus of this research,  
20   by any means, but there were some questions that tested  
21   certain types -- you know, class actions, for example, we  
22   tested. The public supports the full range. I mean, the

1 public thinks that poor people ought to have access to  
2 lawyers as much as anyone else, and ought to be not  
3 restricted.

4           However -- and I think local programs have figured  
5 this out -- however, there is, by far, the strongest support  
6 for advice and negotiation. Again, getting -- we're bumping  
7 into that sort of anti-litigation sentiment.

8           So while we shouldn't be afraid to talk to the  
9 public about litigation or class actions or a full range of  
10 advocacy, that's not the strongest argument. You don't lead  
11 off with that, that you know, we're all about suing everybody  
12 that we can. That's not our strongest argument.

13           The strongest argument is actually a most accurate  
14 argument. It's an accurate description of what legal aid  
15 programs mostly do, which is help people resolve day-to-day  
16 problems, and that most of those are handled through advice  
17 and negotiation and settlements, and that sort of a thing.

18           In terms of the values that underlie support,  
19 fairness and equality, ensuring that everyone has access to  
20 justice, responsibility to help others, and then thirdly,  
21 responsibility to the community to solve community problems.

22

1           Although again, the public is much more receptive  
2 when you talk about individual clients and individual  
3 stories, as opposed to the discussions about helping the  
4 community.

5           We were, frankly, surprised by that. You know, we  
6 went in thinking that the best way to sell this is to tell  
7 people that it's good for the community if you help poor  
8 people. And in fact, people -- the inherent underlying  
9 values, and what people connect with most easily, is helping  
10 that individual person who really, really needs some help.

11           A couple of other highlights. The interesting and  
12 somewhat depressing finding is that again, hearkening back to  
13 what I said earlier, that people really don't know a whole  
14 lot about who we are, less than half of the public knows,  
15 really, anything about civil legal services. And about 38  
16 percent knows that civil legal services, or something like  
17 that, exists, but they don't know what it's called.

18           Only 13 percent know about legal aid, and can name  
19 it. They can say -- you know, and interestingly, legal aid  
20 has much stronger name recognition than legal services. Only  
21 1 percent, I think, of the public thought that legal services  
22 had -- was a term of -- they thought it was too generic, and

1     that legal aid was much more specific.

2                   And then an even smaller percent -- I think  
3     somewhere between one to three percent -- were able to name  
4     their local legal aid or legal services program in the  
5     community. So there is clearly a very, very huge need for  
6     educating the public about this work.

7                   I think that touched on most of the points. The  
8     only -- just a few other points about the research findings.

9     What we discovered is that the more specifically that we  
10    describe legal services work, the better that people connect  
11    with it. And so, that it's important, in terms of taglines  
12    and messages that you say specifically what it is that we do.

13                  The most convincing message -- and this came up in  
14    both the poll and the focus group -- was this one, this is  
15    just one example that came out on top. Legal aid makes a  
16    difference for the single mother who needs to receive child  
17    support in order to feed her children, for the veteran who  
18    needs his disability check or won't have a place to live, for  
19    the child being abused to ensure a safe and loving home.  
20    This was the most convincing message.

21                  And the types of cases that were the most  
22    sympathetic -- and these are -- none of these are surprising,

1 I don't think, to any of us -- child abuse, number one,  
2 elderly people and denying Medicare benefits, that sort of  
3 thing, legal advice to women in domestic violence cases,  
4 helping veterans who have been denied their veteran's  
5 benefits. And then, consumer fraud, helping community groups  
6 to solve problems, challenging welfare policies, and group  
7 actions.

8 All still had more than 50 percent, but -- they all  
9 had more than a majority of support in all those types of  
10 cases, but those first four were the most compelling.

11 Just in closing, in terms of the research, and then  
12 I'll just talk a minute about where we're going, John's --  
13 John Russenello's -- advice to us in terms of recommendations  
14 about communication strategies is that there are three  
15 recommendations that he has about describing legal aid cases,  
16 that you need to answer these three questions.

17 One, did the person seeking legal advice truly need  
18 legal advice, as opposed to some other type of help, social  
19 services, or could the person's problem be solved without  
20 legal intervention?

21 Two, could the person have received legal advice  
22 from other sources? We talked a lot in the focus groups

1 about, you know, there were a lot of comments to the effect  
2 of, "Oh, if you have a phone, you have a lawyer," you know,  
3 and that's all that lawyer -- it's a response to lawyer  
4 advertising, that there is a perception that advertising has  
5 created that there is a lawyer for everybody.

6 And so it was interesting in the focus groups to  
7 hear that type of feedback. And so it's very important to  
8 explain that legal aid helps when no one else is there.

9 And particularly, when you're talking about group  
10 actions or class actions, you have to make it very clear that  
11 it's not about money. Because the minute it's about money --  
12 the McDonald's case came up in every single focus group.

13 So that you have to educate the public, or I think  
14 even some private bar audiences, or even other target  
15 audiences, that we're talking about cases that -- where  
16 there is no lawyer or law firm that's willing to take it on a  
17 contingency fee-basis.

18 Interestingly, the class action case and the group  
19 action case that we tested was sort of the classic  
20 incinerator in a poor neighborhood. And that tested out  
21 pretty well. But not because it was so much about a class  
22 action, but more environmental. People were very interested

1 in health and in environmental issues.

2 And then finally, would a serious injustice or harm  
3 have occurred if civil legal aid professionals had not  
4 stepped in to help?

5 So those are some key communications tips. Just  
6 briefly, in terms of where we're going with the research,  
7 there will be a final report released in just a few weeks  
8 that contains a summary of the research, a recommended tag  
9 line.

10 And I can't tell you exactly what the tag line is  
11 going to be, but I do know generally that they're working  
12 with this idea of, "legal aid when no one else is there to  
13 help" concept, and that there will be a sub-message, or a  
14 sub-tag line, "Please help us help, you know, those who need  
15 help."

16 So it is a case for support-type of a tag line,  
17 that we really are asking the public and target audiences --  
18 which I'll talk about briefly -- to help us help the folks  
19 that really need legal help.

20 There also will be ad slicks in just a few weeks.  
21 There will be ad slicks that have a tag line and a graphic, a  
22 picture of a client, an elderly woman who is about to be

1 evicted, or a child who has been abused, and we'll have  
2 specific messages and graphics. And those can be localized.  
3 Those are going to be made available to our -- to the  
4 programs, so that they can put their own name on it, their  
5 own contact information, tweak it.

6 I mean, one of the things that we heard over and  
7 over again as we were developing this is, "Whatever you  
8 produce nationally, please make it -- you know, do it in a  
9 format that it can be localized, and tailored locally." And  
10 so we will be doing that with our products.

11 And then early in 2001, next year, we will start  
12 producing some materials, starting with PSAs, public service  
13 announcements, for print and radio in the beginning and  
14 hopefully also television. That's a lot more expensive, so  
15 we'll have to make sure we have the funding for that, but at  
16 least with print and radio. And those will be distributed to  
17 our programs who can then disseminate them into their local  
18 media markets.

19 We'll be producing communications tool kits.  
20 Elizabeth Arlege, who is the NLADA communications director,  
21 will be helping with that.

22 And I want to just say one thing at this point that



1 I didn't mention earlier. This entire process has been  
2 guided by an advisory group that has been a very active  
3 advisory group. And that advisory group is going to continue  
4 to work through the production of materials stage, as well.

5 We felt that it was very important that this be a  
6 product of the community, and not just something that one  
7 organization produced. So Mauricio sits on the advisory  
8 group, Bob Evans, from the ABA, as well as Terry Brooks,  
9 folks from the Brennan Center for the Management -- and we  
10 also have some IOLTA directors and local project directors  
11 and state support people as well.

12 There's also a larger advisory group that has  
13 private bar representation, general counsels, and foundation  
14 folks, other national non-profits. So we really did want to  
15 have a process that was open, and that will continue.

16 And I think that the -- in terms of what we do with  
17 rolling out these products, it's going to be very, very  
18 important that we get input from as many different folks as  
19 possible to make sure that this is always, always, from day  
20 one and continues to be something that we want to be  
21 practical and usable.

22 So the communications tool kits will involve --

1 will include talking points, media materials, press releases,  
2 sample articles, sort of a how-to guide, how to use the kit.

3 We'll also be doing some trainings over the next  
4 year of both legal services staff and volunteer leaders at  
5 the various national conferences, and also at some regional  
6 conferences and in bar meetings.

7 And in these trainings, we will have folks learn  
8 what the messages are that have been tested, how to stay on  
9 message, how to work with the media, and then how to use  
10 these communications products.

11 Just finally, the -- in terms of target audiences,  
12 the research has been general public research. We felt that  
13 it was very, very important to talk to the people, the public  
14 first, and find out what people did or didn't know about us.

15 And I think that, reflecting back on it, that really has  
16 been a great -- something we've never truly done before in  
17 legal services.

18 But we also know that our support that's critical  
19 to our political support before Congress as well as state  
20 legislatures, as well as financial support at the state and  
21 local level, as well as continuing to expand pro bono, that  
22 there -- that the private bar is critical to that.

1           And they have been our supporters for a long, long  
2     time, and we need to grow that support, and that also the  
3     business community is emerging as a very, very key player,  
4     particularly in some of these state legislative  
5     appropriations.

6           What happened in Massachusetts this year was a  
7     combination of law firm leaders and general counsels from  
8     major corporations in Massachusetts getting together and  
9     supporting a very, very large increase in the legislative  
10    appropriation. And it wouldn't have happened without it.

11           Letters from general counsels from the major  
12    corporations up there made that happen. And that is a trend  
13    that is beginning to happen at the -- in state legislative  
14    appropriations, and also in local communities, with  
15    fundraising efforts.

16           Tulsa is a community -- and I think John, you were  
17    there -- where they've had very strong support from the  
18    general counsels. The Twin Cities and Minnesota has had that  
19    for a long time.

20           And all over the country, more and more, the  
21    general counsels are beginning to chair or co-chair some of  
22    the private bar campaigns, and it's very important to have

1 the general counsels, as an access point to the business  
2 community, working very closely with law firms and in the  
3 private bar to grow this support.

4 So we'll be doing some interviewing of general  
5 counsels and bar leaders, using the general public research  
6 as a starting point, but asking them to help us refine  
7 messages.

8 And then also developing materials that are  
9 specifically geared for those audiences, you know, materials  
10 for going to the law firm, if you're starting a private bar  
11 campaign in your community, particularly some of these  
12 smaller communities that don't have the sophisticated  
13 marketing products that some of the larger communities have.

14 And similarly, if you want to meet with some of --  
15 if your Chamber of Commerce, if you're in a smaller town, or  
16 a group of general counsels, you want to have materials that  
17 tell them why legal services for low-income people is good  
18 for business. So we'll be developing some specific materials  
19 for those audiences as well.

20 And then in closing, I just want to mention that a  
21 number of states are picking up on the national research, and  
22 developing statewide communication strategies as part of

1     their overall state planning.

2                 Florida is developing a communications campaign  
3     through the Florida Bar Foundation. They're going to be  
4     hiring Doug Gould, which is a public relations firm in New  
5     York that we're going to be using. We're already using Doug,  
6     actually, to develop the ad slicks.

7                 And so we're working very closely with the Florida  
8     Bar Foundation to coordinate, to make sure that they have --  
9     are able to take full advantage of the national research, and  
10    then apply it at the state level.

11                And that communications campaign will be designed  
12    to help the foundation expand its visibility institutionally,  
13    but also to expand the visibility of its grantees.

14                Georgia, Georgia Legal Services, which covers most  
15    of the state, is similarly developing a communications  
16    initiative designed to help them grow their -- expand their  
17    pro bono support, as well as fundraising and the political  
18    support, the broader state legislative or local funding  
19    sources.

20                They have applied for a grant with a local PR firm  
21    that gives a community-based grant each year to a non-profit  
22    who gives them free public relations work through a grant.

1 And they, also, will be tapping into the national research.

2 In Texas, the Texas Bar Foundation has just funded  
3 a communications initiative, similar to Florida, and we'll be  
4 tapping into the Russenello Research as a starting point.

5 And then in North Carolina, the Legal Services of  
6 North Carolina, the almost statewide program, although it is  
7 a moving target in North Carolina, but I -- the -- they have  
8 hired a communications director there as part of their  
9 capacity-building, to develop statewide -- or, almost  
10 statewide -- communications strategies.

11 And then finally, just a plug for sort of  
12 inspiration from the northwest. Washington and Oregon,  
13 really, are way ahead of the game on this. I mean, they've  
14 been working on message strategies for a long time.

15 And actually, when we started the national project,  
16 we were in very close contact with Lauren Moore, and some of  
17 the other folks out in Washington State, because they had  
18 done some research already.

19 And they're incorporating it into a public  
20 education campaign. I mean, they're actually -- last summer,  
21 they started a project where they started talking to people  
22 in the streets about legal services, and very much of a

1 grassroots campaign.

2           And in Oregon, they are developing some very  
3 sophisticated media strategies and really doing a lot of  
4 great work with the media. The open houses that took place  
5 just recently out there across the state, there was great  
6 media coverage.

7           And so, I mean, I think that the communications  
8 work that's happening nationally as well as at the state  
9 level is really part of what I would call an integrated  
10 strategic marketing strategy that's very much part of  
11 building support for the delivery system at the state level,  
12 as well as trying to do some branding at the national level.

13

14           And I think that there is a great relationship  
15 right now between what's happening nationally at the state  
16 level, in terms of the ways that they feed into each other.  
17 And one of the things that the project will be offering is  
18 ongoing technical assistance to states as they begin to  
19 develop their own communications initiatives.

20           So that's it. We'll try to keep you posted as much  
21 we can. I do have some handouts that provides a summary of  
22 some of the things that I highlighted, and I don't know if

1     you all have any questions.

2                   CHAIR EAKELEY:   Why don't we just skip to -- we can  
3     -- I thank you, Bonnie, this is real exciting and impressive.  
4     We look forward to the report, and also to some of the  
5     communications initiatives.

6                   I used to thinking branding was something you did  
7     to cattle and it hurt a lot, but the strategic approach, and  
8     the way it dovetails with state planning efforts, and the way  
9     the state planning itself, in some states, has helped  
10    emphasize the need for strategic messages, is a fascinating  
11    confluence.

12                  So we wish you well.   We've have -- open it up  
13    after these mandatory board chair comments.

14                  (Laughter.)

15                  MS. MERCADO:   Thank you.   I'm actually very excited  
16    about it, in trying to develop a message for legal services,  
17    because I definitely think that Habitat for Humanity and  
18    Head-Start are way ahead of the game.

19                  But one of the questions that I had when you were  
20    describing communication tool kits that we have, I wonder  
21    whether part of this educating of the public including doing  
22    curricular in the schools to do that kind of activity that



1 starts sort of educating the value system in our school  
2 system and younger people that will then become the  
3 professionals, or the leaders in the communities.

4 MS. ALLEN: I -- that particular suggestion I have  
5 not heard before, but I think it's a great idea, and I think  
6 that we are really, right now, the advisory group in the  
7 process of designing what the various strategies and products  
8 are going to be.

9 I mentioned some of the things that we are planning  
10 to do, but this is something that, hopefully, will continue  
11 over a, you know, many-year period, we'll continue to roll it  
12 out. I think that's a great idea, and I think that we always  
13 have to be mindful of the grassroots public support need, and  
14 that starting with young people is a terrific idea. So,  
15 thank you.

16 CHAIR EAKELEY: Mr. -- mentioned yesterday -- or,  
17 not mentioned, briefed us on the corporate pro bono project  
18 and mentioned a number which stuck, 2.5 million hits a month  
19 on the Association of Corporate Counsel Website.

20 But I'm assuming that part of your targeting of  
21 corporate lawyers includes the possibility of collaboration  
22 for that project.

1 MS. ALLEN: Certainly we will be doing that.

2 CHAIR EAKELEY: Any other questions? John -- I'm  
3 sorry, Bucky?

4 MR. ASKEW: I think you should assume that we all  
5 want your report. Just go ahead and send it to us.

6 MS. ALLEN: Yes? Okay.

7 CHAIR EAKELEY: Yes, yes. I'm sorry, I'm sorry, I  
8 thought that was understood.

9 MS. ALLEN: The full -- the one that's coming out  
10 in just a few weeks?

11 CHAIR EAKELEY: Yes, that would be great.

12 MS. ALLEN: We'll do that.

13 CHAIR EAKELEY: John?

14 MR. MCKAY: I was going to just commend the board  
15 members on that point. We were briefed by John Russenello on  
16 the study, some of the staff, and Mauricio Vivero sits on the  
17 committee that Bonnie referenced -- you may have mentioned  
18 that, Bonnie, and I --

19 MS. ALLEN: Yes.

20 MR. MCKAY: -- missed it, but I also commend the  
21 foundation. This study that Russenello performed is very  
22 strong, in my opinion, from a methodology standpoint. I

1 don't think it's listed in Bonnie's handout, but it is a very  
2 significant study in the numbers of persons interviewed, and  
3 the focus groups that support it. I think it's a real study,  
4 and I really commend -- for its work.

5 CHAIR EAKELEY: And thanks for sharing yourself and  
6 morning, with us.

7 MS. ALLEN: Well, you're welcome.

8 CHAIR EAKELEY: I should, while Bonnie's still  
9 here, or putting her materials together, just also recognize  
10 other NLADA members in the audience, Julie Clark and Don  
11 Saunders, and welcome Elizabeth Arlege, the new director of  
12 communications for NLADA, sitting next to Linda Perle from  
13 the Center for Law and Social Policy and in front of Julie  
14 Strandlie, from the American Bar Association.

15 And I should also just say hello to Kent Hull, from  
16 the Committee for Effective Legal Services from Notre Dame.  
17 And Mr. Hull and others will be addressing us at the public  
18 comment period, later.

19 PARTICIPANT: Don Saunders.

20 CHAIR EAKELEY: I did mention Don Saunders, but  
21 he's always worth mentioning a second time. He probably  
22 missed it the first time. All right.

1 MS. ALLEN: Thank you.

2 CHAIR EAKELEY: Thank you, again, Bonnie. That  
3 brings us to item five on the agenda.

4 By way of -- I -- the only thing I want to -- two  
5 things I want to mention. The first is last night. I really  
6 think that it was a wonderfully warm and moving experience,  
7 John, to have the staff gathered together at dinner for the  
8 board, and it was wonderful to have that, and Chuck Ruff  
9 there and Tom Williamson, and John Bailey, and a number of  
10 the people in the audience.

11 But just the thought that went into it, and the  
12 sentiment behind it are greatly appreciated by all of us, and  
13 I just want to say thank you to everyone who helped make that  
14 possible.

15 MR. MCCALPIN: I'd like to thank the staff for  
16 putting only 25 candles on that cake.

17 (Laughter.)

18 MR. MCCALPIN: I have trouble enough with them.

19 MR. MCKAY: Bill, it's a nice thought, but that was  
20 fire code.

21 (Laughter.)

22 CHAIR EAKELEY: Secondly, we got into a dialogue

1 yesterday morning, in the course of the presidential  
2 performance review, that started to resonate, as things  
3 frequently do when Bucky and Bill McCalpin start reflecting  
4 publicly or not publicly

5 But I would like to pursue some of the themes that  
6 we discussed and make them available so that others can  
7 participate and not leave it where we left it yesterday.

8 I'm not quite sure how to do it, one possibility,  
9 as a start, is to explore releasing part or all of the  
10 transcript, even though it was a performance review  
11 discussion.

12 But I would welcome input from the board about  
13 where we go from here to just capture those thematic and  
14 develop the thought process a little further. John?

15 MR. MCCALPIN: I certainly think that -- well, I  
16 guess I'm self-pleasing -- but I think that the members of  
17 the board might want to have access to it, and I had some  
18 reservation in my mind as to whether that section should have  
19 been closed anyway.

20 MR. MCKAY: Well, may I just say, Mr. Chairman, I  
21 would have no objection to releasing the transcript of that  
22 discussion.

1           CHAIR EAKELEY: Okay, well I think that's the  
2 sentiment. I think -- we were all there, and it was in  
3 executive session, but I think that it might benefit from  
4 being released.

5           So unless there are any objections to that, Victor,  
6 I'll just look to you to coach me on what we do to demystify  
7 --

8           PARTICIPANT: I wonder if you need a motion to do  
9 it.

10          CHAIR EAKELEY: Do I need a motion --

11          PARTICIPANT: Probably.

12          CHAIR EAKELEY: Do you know?

13          PARTICIPANT: Yes.

14                           M O T I O N

15          MS. MERCADO: I so move, Mr. Chairman.

16          MR. MCCALPIN: Second.

17          CHAIR EAKELEY: All those in favor of whatever one  
18 does to a closed session --

19          MS. MERCADO: To release the --

20          CHAIR EAKELEY: To open the closed session?

21          (Chorus of ayes.)

22          CHAIR EAKELEY: Opposed?

1 (No response.)

2 CHAIR EAKELEY: The ayes have it. Bucky?

3 MR. ASKEW: I've been criticized for not saying  
4 very much at dinner last night by some of my fans in the  
5 audience, perhaps. Perhaps if you release the transcript, it  
6 will help redeem me.

7 (Laughter.)

8 MR. ASKEW: I was attempting to be serious, but I'm  
9 not sure that helped.

10 CHAIR EAKELEY: The other part of my report you'll  
11 hear about later. I did spend -- I did come to Washington on  
12 a few occasions to meet with our inspector general and  
13 others, and you'll hear directly from the inspector general  
14 in a few minutes.

15 So, that concludes my report. Now, other members'  
16 reports. Ernestine?

17 MS. WATLINGTON: None.

18 CHAIR EAKELEY: Edna?

19 MS. FAIRBANKS-WILLIAMS: I'm still -- I can't talk  
20 about it.

21 (Laughter.)

22 CHAIR EAKELEY: You've got a confidentiality

1     agreement with you?   John Broderick?

2                   HON. BRODERICK:   Nothing of great note, other than  
3     to share the chairman's comments about the event last  
4     evening.   It was just a fabulous night, and I appreciate the  
5     sentiment and the thought that went into it.   It was a very,  
6     very enjoyable night.

7                   CHAIR EAKELEY:   Maria Louisa Mercado?

8                   MS. MERCADO:   Nothing, again, other than just to  
9     thank the staff and the other community members that put this  
10    together for us.

11                   But in doing so, I think a lot of us were sort of  
12    sitting there thinking, you know, someone needs to write a  
13    book about legal services, the history of it, or whatever,  
14    and we sort of did.   Bill McCalpin, who has a memory as sharp  
15    as you can imagine, he knows all the intricate details of  
16    every decisions that were made along the way.

17                   But in any event, just sort of -- those of you who  
18    are out there, if you could gently nod him in that direction,  
19    it would be great.

20                   MR. MCCALPIN:   Have you ever heard of the 13th  
21    Amendment?

22                   (Laughter.)



1           MS. MERCADO: But in any event, that's -- and other  
2   than in my own community, working with -- I'm glad that  
3   Esther gave us a report yesterday on the corporate sponsors,  
4   because actually in the Houston area, a lot of the  
5   corporations, especially the chemical companies, Amoco, and  
6   so forth, and the medical schools, their in-house counsel are  
7   pro bono specifically because they want to go to court.

8           And some of them are allowed, you know, 50 hours or  
9   100 hours that they can take during their regular work time  
10  to do these cases, these counseling with some of them, some  
11  of my cases. And so I was glad to hear that it's going  
12  nationwide, and more aggressively.

13           CHAIR EAKELEY: Nancy?

14           MS. ROGERS: Yes, I wanted to mention something  
15  about Karen Sergeant, who we all love and respect. I had  
16  nominated Karen for an Ohio State University College of Law  
17  recent graduate service award, and I got a call from the law  
18  school to say, "We decided one of us should call you, Nancy,  
19  and let you know that everyone who graduated more recently  
20  than you is not, by the world at large, considered a recent  
21  graduate."

22           (Laughter.)

1                   MS. ROGERS:  However, there was a decision made  
2   that there ought to be a reward for career-long public  
3   service, and we would like to you to be the one to present  
4   that to Karen Sergeant.

5                   So just a couple of weeks ago, it was my pleasure  
6   to watch several hundred of our alums stand to applaud Karen  
7   for a career of service that, as some people said,  
8   represented in terms of contribution, more than the donation  
9   of a chair.

10                  When you take so many of you who are here who could  
11   have chosen a career in which the reimbursement would have  
12   been much higher, and used that talent in a way that didn't  
13   result in that level of compensation, it does represent that  
14   kind of a contribution to what is the obligation of all us in  
15   the legal profession.

16                  So it was fun to see one of my heroines honored in  
17   that way.

18                  CHAIR EAKELEY:  Good.  Bucky, it's your turn to  
19   expand.

20                  MR. ASKEW:  I was brought to that dinner under  
21   false pretenses.  I thought we were going to go to vote on --

22                  (Laughter.)

1 MR. ASKEW: No, I have nothing to report.

2 CHAIR EAKELEY: Bill McCalpin?

3 MR. MCCALPIN: Well, I am grateful to the  
4 corporation and ABA to give me the first opportunity in 52  
5 years of law practice to see and hear an argument in the  
6 Supreme Court of the United States. It was my pleasure to be  
7 present, and my educational experience to be present.

8 The Valezquez case was argued in the Supreme Court  
9 five or six weeks ago. It was an interesting experience that  
10 I'm sorry I didn't have earlier in my life.

11 CHAIR EAKELEY: All right, thank you. Next, item  
12 six -- item seven, inspector general's report. Edouard  
13 Quatrevaux? Good morning, again.

14 MR. QUATREVAUX: Good morning, Mr. Chairman,  
15 members of the board of directors of the Legal Aid  
16 Corporation.

17 (Laughter.)

18 CHAIR EAKELEY: You got that, too?

19 MR. QUATREVAUX: I would simply, today, like to  
20 announce my retirement to launch a new venture. I'm very  
21 proud of the accomplishments of the office of inspector  
22 general over the last nine years, and I'd just like to

1     mention a few of them.

2                 You may recall that we had performed a monitoring  
3     audit just before your arrival, which ultimately lowered  
4     costs from \$3.5 million for that function in 1993 to less  
5     than half of that today.

6                 Later, when Congress gave the OIG significant  
7     responsibility for monitoring, we set up a system that proved  
8     out to be inexpensive and non-intrusive, and to this moment,  
9     has not generated a single complaint.

10                Our tech report, technology report, in 1996  
11     illustrated how many poor people could receive legal  
12     assistance, and I'd like to claim here some small credit for  
13     the funding, for what one appropriations staffer referred to  
14     as my "harassment."

15                Last, and most recent, our assessment of the 1999  
16     CSR data was a major achievement from -- just from a  
17     technical point of view, reaching a conclusion, statistically  
18     valid conclusion, on a national level in a very short period  
19     of time.

20                I think it also made a significant contribution  
21     toward ending the controversy surrounding CSR data.

22                I want you to know that I leave you with an

1   excellent staff, established policies and procedures, and a  
2   plan for the future. That's a professional organization, it  
3   will continue to function with or without me in much the same  
4   manner.

5               I am looking forward eagerly to the future. Our  
6   venture, which is known as, "The Level Playing Field" aims to  
7   make a college degree affordable to everyone, regardless of  
8   income. We've acquired control of an accredited college, and  
9   hope to begin online delivery of our programs next year.

10              Finally, I had never heard of LSC prior to 1991,  
11   but I came to appreciate how essential the provision of legal  
12   services to poor people really is, and how integral that is  
13   for our democracy. And I want to commend you on your public  
14   service, and thank you very much, and wish you well in the  
15   future.

16              CHAIR EAKELEY: Thank you, Ed. You were extremely  
17   brief in what could have been a much longer list of  
18   accomplishments, one of the most notable of which we keep  
19   talking about every time we convene, which is the initiative  
20   and technology that got that very important ball rolling.

21              But we thank you for your presentation, we thank  
22   you for your service. We're going to hear from Ed again in

1 executive session, in terms of succession planning and  
2 personnel.

3 But -- and we have an action item on the agenda  
4 later, in terms of what to do with Ed's tendered resignation.

5 But for now, I think we'll just leave it with a thank-you,  
6 and we will look for another opportunity after today to say  
7 thank you a little bit more expansively.

8 Any questions of the IG, or comments before we  
9 release him from the table?

10 HON. BRODERICK: Mr. Chairman, I just wanted to, on  
11 a personal level I guess, to thank the IG for his service  
12 here. I have enjoyed our many agreements, and I've, in a  
13 perverse way, enjoyed our disagreements from time to time.  
14 But I know you've always acted on principle, and I respect  
15 that. And I appreciate your service to the corporation, and  
16 we will miss you.

17 MR. QUATREVAUX: Thank you for those kind remarks.

18 CHAIR EAKELEY: Okay, thanks again. President's  
19 report.

20 MR. MCKAY: Thank you, Mr. Chairman. We have  
21 reported separately to the board, but I should add for the  
22 record our understanding that we will have a new appropriate

1 eventually, when Congress reconvenes and a bill is presented  
2 to the President.

3           We understand, however, that the figures are good  
4 news for our field programs. Our total appropriation of \$330  
5 million is what we expect to have, which will include \$310  
6 million directly to field programs, in addition to the \$310  
7 million, \$7 million in technology grants which will be made  
8 to field programs as well.

9           The numbers for management and administration are  
10 \$10.8 million, and for the inspector general's office \$2.2  
11 million.

12           The basic field line of \$310 million is a 7.26  
13 percent increase in overall field services, and I know that  
14 our programs will begin making plans based on the level of  
15 the appropriation.

16           That number, of course, is higher when you add in  
17 the technology grants, although those will not go on a pro  
18 rata basis, they will go, as we did last year, on the basis  
19 of competitive applications and we're very excited about both  
20 the positive impact of last year's technology, discretionary  
21 grants, but also what we can accomplish with the additional  
22 funds that we have apparently received for the current fiscal

1 year.

2           We are in the process with some internal news of  
3 adjusting the LSC pay system. We are, as has been previously  
4 discussed with the board, continuing to implement now the  
5 second phase of the locality pay increase. We -- that will  
6 be 3.4 percent this year.

7           We have also adjusted the way in which we will  
8 award cost of living increases. We always have had that  
9 component as part of what we were calling a merit pay system,  
10 but we're going to separate that out and acknowledge it for  
11 what it is, which is a cost of living increase.

12           No real change in terms of how we determine the  
13 figures, that will still be done in cooperation with the  
14 inspector general's office, as required in our program, but  
15 we're calling it a cost of living increase, and wanted to let  
16 the board be aware of that.

17           I also wanted to inform the board that we had a  
18 very good program during this past week for United Way. We  
19 are a part of the community in the District of Columbia.  
20 We're an important part of that community, and our employees  
21 feel that way.

22           We had a day of bingo and games and pizza and fun.



1     And in the course of that, raised, I think, by the time all  
2     was said and done, something close to \$20,000, which is a  
3     substantial increase.

4             We have a very large number of LSC employees who  
5     are participating in their contribution, and I had the  
6     privilege of reminding the United Way representatives that  
7     we, all of employees, every day, do work that serves low-  
8     income people, but that's not enough for them and they reach  
9     into their own pockets and make substantial contributions to  
10    the local United Way.

11            And I want to thank Alice Dickerson and others on  
12    her committee who organized the United Way efforts.

13            You have previously been briefed on the status of  
14    the LSC lease and building, and I'd be glad to answer any  
15    questions here in open session, if you have them, with regard  
16    to our building. But let me just say, for the record, that  
17    we are taking every step we can to pursue the location and  
18    acquisition of a permanent home for LSC.

19            We are working separately on a track that will make  
20    sure that we either extend our current lease, which will  
21    expire in May of 2002, or a less desirable alternative, but  
22    one which we would certainly keep open, which would be to

1 identify another lease-hold until we acquire a building.

2 I have -- just wanted to alert you on some of my  
3 activities. Randi Youells and I recently traveled to the  
4 states of Wisconsin and Texas, in which we had, as they say  
5 in diplomatic terms, "full and frank discussion" regarding  
6 the status of their state planning efforts.

7 I would describe both of those meetings as  
8 extremely productive. They engaged not only our programs,  
9 who are working on state planning issues, but in both of  
10 those locations, very senior representatives of the state bar  
11 association, directors of the IOLTA programs, in Texas, with  
12 a member of the state supreme court, Justice Deborah  
13 Hankinson, whom many board members met at our annual meeting  
14 in Austin, she is the driving force in Texas behind what we  
15 believe will be a supreme court order establishing an access  
16 to justice board in Texas.

17 And I would like to, for one, commend the board for  
18 its direct engagement in that issue in Austin. Justice  
19 Hankinson herself gives the board a great deal of credit for  
20 helping the supreme court of Texas to focus anew on the low-  
21 income needs of Texans, and I'm very excited about it, as are  
22 the Bar Association, the IOLTA program, and our programs in

1 Texas.

2 I also traveled with our board chairman -- he  
3 didn't have to travel too far -- but I traveled to New Jersey  
4 to make one of our four model grant awards to the State of  
5 New Jersey and its very well-integrated legal services  
6 programs.

7 We announced there that we would be funding, I  
8 think, around \$260,000 in real technology infrastructure that  
9 facilitates the communications among the number of -- how  
10 many programs, Doug? We have 14 in New Jersey -- but  
11 tremendous technological maturation that's occurred in New  
12 Jersey and our efforts there will help them complete their  
13 system.

14 I also, since our last meeting, traveled to South  
15 Carolina. Board member LaVeeda Battle was going to attend  
16 but could not. However, the governor of the State of South  
17 Carolina announced our technology grants there in a really  
18 wonderful ceremony in the capital. Randi Youells and  
19 Mauricio Vivero and I also traveled to our local program, who  
20 received that grant in Greenville, South Carolina.

21 And I think that it's fair to say that the work  
22 that's been done there is extremely impressive, a statewide

1 series of locations that will be linked by the Internet to  
2 local legal services offices. These will be the sort of two-  
3 way video -- it's very rudimentary, but -- and it really  
4 extends the reach of legal services throughout South  
5 Carolina.

6 And they're in places like women's shelters and  
7 courthouses, and public libraries, reaching out now into  
8 places where we have not ever had a presence, and we're  
9 excited about that program in South Carolina.

10 I also visited Michigan, where I had an opportunity  
11 to address the annual meeting of the state bar of Michigan.  
12 I was present at an unexpected visit by the President of the  
13 United States, who devoted half of his speech to the need for  
14 funding the Legal Services Corporation.

15 He made extremely strong and compelling remarks.  
16 We, of course, have his speech and are doing the best we can  
17 to draw attention to that. But I want to say, on the record,  
18 how much we appreciated the President's emphasis on the need  
19 to fund LSC.

20 So at the time in which we were looking at the  
21 status of our appropriation, the President weighed in in, I  
22 think, a very compelling way, and I wanted to thank him for

1 his support.

2 I also traveled, and want to emphasize Bonnie  
3 Allen's comments regarding the efforts in my part of the  
4 world, the northwest United States. I traveled out to the  
5 open houses that she described, in Oregon. They were very  
6 impressive, 16 open houses on the same day in Oregon.

7 Each open house throughout the state was attended  
8 by local legislators and media. They announced a state  
9 version of a legal needs study, which I also commend to you.  
10 It points out that, in the State of Oregon, in a study  
11 undertaken by Portland State University as the back-up data  
12 gatherers, extensive interviews.

13 And I would like to say for the director of Vermont  
14 that they actually conducted interviews in laundromats in  
15 Oregon. And when I heard that, I thought of you instantly,  
16 Edna, and I knew that the report would have great  
17 credibility.

18 And it finds, to our great sadness, but I know not  
19 to the surprise of board members, that the legal needs of  
20 18.2 percent of the poor in Oregon are being met.

21 I think that's significant, from the standpoint  
22 that this is a very recent study. But it meets the overall

1     number that we frequently cite.  It's consistent, although  
2     not identical -- you wouldn't expect it to be identical --  
3     it's consistent with the American Bar Association study on  
4     legal needs, and I think it tells us a lot.

5             And I commend to you that report, which we can  
6     provide you if board members would like to see it, and  
7     others, I'm sure, can obtain it through the folks in Oregon.

8  
9             I spoke in Pendleton, Oregon, which is way out in  
10    eastern Oregon, along with the president of the Oregon State  
11    Bar Association, and then we dashed back down the Columbia  
12    Gorge to Portland, where a large gathering of folks were  
13    there for the largest open house in the state, as you might  
14    imagine.  And I spoke, along with the chief justice of the  
15    supreme court.

16            But the integration of community people, state  
17    leaders, courts, providers, legal services people, and the  
18    media was remarkable.  And I commend it to the board, and I  
19    give not just our providers, but those who are true members  
20    of the state justice community in Oregon an awful lot of  
21    credit for that.

22            I spoke at the pro se conference in New Orleans

1 about two weeks ago. A good component of that, thanks in  
2 large part to the Open Society Institute, was a front-end  
3 application of our technology grants.

4 A number -- and I believe it's around 10 -- of our  
5 recipients of our discretionary technology grants attended  
6 this conference and entered workshops in which, prior to  
7 fully initiating their projects, they were able to share  
8 ideas and gather information from each other, a project that  
9 was undertaken by Mike Genz and his staff, and they did, in  
10 my estimation, an excellent job in helping to pull this  
11 together with NLADA, OSI, and the Legal Services Corporation,  
12 among others. And I thank all of the participants for that  
13 work.

14 Finally, I conducted a conference on October 25th  
15 to 27th out at Wye River. This was the third conference that  
16 we call Mokita, in which with very few LSC staff, I have  
17 asked leaders young, not-so-young, new, and some who have  
18 been around for a long time to come in a retreat setting and  
19 advise me and each other, but principally to continue to  
20 advise me as a Legal Services Corporation president, on any  
21 issue of interest to any participant.

22 And I want to thank Randi Youells for doing an

1    excellent job of non-moderation of that meeting, Randi. She  
2    was not the official moderator, but provided us some  
3    guidance. I'd be glad to discuss with you who the  
4    participants were, but you would know virtually all of them,  
5    except that we purposefully invited some newer executive  
6    directors who you wouldn't perhaps be familiar with.

7                It was tremendously beneficial to me, very frank  
8    discussion, the purpose of which is to make sure that we  
9    bring new issues into the consideration of the corporation.  
10   There's a tendency when you meet, in my opinion, to discuss  
11   history, you go over what's occurred and not enough looking  
12   forward.

13               And what we tried to do in the last three  
14   conferences -- one each in the years in which I've served as  
15   president -- is to try and look forward. And I want to thank  
16   Julie Clark and Don Saunders, who are here, who were two of  
17   the participants. I may be missing someone on our staff,  
18   some of our staff who are here, but again, very few LSC  
19   staff. Mostly people from the field and from the bar,  
20   including Sarah Singleton, from New Mexico.

21               I'd be glad to share that outside of this meeting  
22   with other board members, if you're interested.



1                   CHAIR EAKELEY: Why don't you remind everyone what  
2 Mokita means?

3                   MR. MCKAY: Oh, I -- Mokita is a term I -- this was  
4 coined by Eta San Jaffey -- I can't say that I have  
5 independently researched this, but Eta claims that this is a  
6 term from Papua New Guinea that has no other corollary in  
7 another language. Mokita is -- a Mokita is that thing of  
8 which everyone knows to be true, but of which no one will  
9 speak. And she coined the first meeting as the Mokita  
10 conference.

11                   And so we've had these conferences and named them  
12 Mokita I, II, and III, and I wanted to thank the  
13 participants, as it was very helpful to me.

14                   We are continuing to work with the chairman of the  
15 board to assist him and John Erlenborn, who has, at this  
16 point, been informally designated as participating on the  
17 commission that will look at the impact of restrictions on  
18 client communities, report back to the board and to the  
19 congress.

20                   We conducted a telephone conference call, and we  
21 have been reaching out to try and get suggestions for  
22 commission members. We haven't moved quite as quickly as I

1 think we all anticipated, but very clearly, on Doug Eakeley's  
2 agenda, on John Erlenborn's, and we have worked closely with  
3 John to try to continue to help him develop names for Doug's  
4 selection.

5           We will, by -- my last point is on performance  
6 measures. Randi Youells has reported, and her staff have  
7 reported on the efforts with regard to what we're calling the  
8 results committee.

9           That's our effort to take a look at and try and  
10 increase our reach with NCSRs to report more accurately on  
11 what our programs do that we've never asked them before. But  
12 we all know the tremendous work being done by local programs  
13 that's not captured there.

14           In the long run, we expect that performance  
15 measures, which will be the second half of your strategic  
16 planning process, will take an entirely new approach to  
17 relating the work being done by our local programs.

18           We expect, within the next two weeks I would say,  
19 at most, to enter into a contract with Tom McQueeney, Dr. Tom  
20 McQueeney, who is very familiar to the board, to enter into  
21 the management of one or more -- and I think it will be  
22 somewhere between one and five -- pilot projects with

1 volunteer executive directors and programs to launch that  
2 process.

3 We have already convened one meeting, one group of  
4 advisory members from -- made up of executive director from  
5 around the country. Randi ran that process in June for  
6 preliminary information rather than going out of the box.  
7 With something in mind, we wanted to be informed of field  
8 concerns before we did that.

9 So we've been very busy, Mr. Chairman. There are  
10 many other matters that are on our plate. I will spare you  
11 that complete recitation. There are some out there, I'm  
12 sure, that are holding a clock on me, and someone has put  
13 bets on how long I'm going to speak, but I will wrap up now.

14 CHAIR EAKELEY: Well, thank you for wrapping up.  
15 One -- just one other point. I think it's -- John Erlenborn  
16 is not here, but I think it's our hope that we will have the  
17 Erlenborn II commission designated by the end of -- or, at  
18 least some preliminary selections made by the end of this  
19 week or next week so that we can get this thing going in a --  
20 on a time chart that brings back to the board recommendations  
21 for approaching restrictions by the middle of the year.

22 MR. MCKAY: Mr. Chairman, I neglected to mention

1   that board members have been provided with a monthly update  
2   of activities, some of which I mentioned, but most of which I  
3   did not. So there is also a written report, your monthly  
4   report, which should be in front of you.

5               CHAIR EAKELEY: Bucky?

6               MR. ASKEW: That's what I was going mention. I was  
7   going to give credit to the president and the staff for  
8   responding to the board's request a few meetings ago for  
9   better communication. I think these are very helpful,  
10   particularly coming at a time when we are busy doing other  
11   things and can't keep up with things. These have been very  
12   useful, and I hope they will continue.

13              MR. MCKAY: They will.

14              CHAIR EAKELEY: Any other questions of John?

15              (No response.)

16              CHAIR EAKELEY: Hearing none, we'll proceed to the  
17   item nine, "Consider and act on the report of the Board's  
18   Committee on Provision for the Delivery of Legal Services."

19              Ernestine, we all attended your committee meeting  
20   yesterday, but --

21              MS. WATLINGTON: It was quite informative of things  
22   in the process, and the state planning. And it was really

1 very interesting, but there was nothing we had to bring to  
2 vote on.

3 CHAIR EAKELEY: Are there any questions or comments  
4 about the committee's meeting, or Ernestine's report?

5 (No response.)

6 CHAIR EAKELEY: Hearing none, we'll move to Justice  
7 Broderick, and the report of the board's operations and  
8 regulations committee.

9 HON. BRODERICK: Mr. Chairman, I'm pleased to  
10 report that we probably had one of the shortest meetings in  
11 the history of the ops and regs committee, and I think all of  
12 you attended it, so I'll be very brief.

13 We received a staff report on the publication of a  
14 regulation on the property acquisition manual. The recipient  
15 fund balances regulation was published in early November of  
16 this year, and late September the proposed property  
17 acquisition and management manual was published. And so we  
18 received a status report on those.

19 We also acted, and I'm not sure this board needs to  
20 take any action, although I've read our new rule-making  
21 protocol, and I think we might have approached it in somewhat  
22 of an upside-down fashion. So if I'm confused, I may not be

1 the only one here.

2 In any event, there was a recommendation made to us  
3 that we should proceed with notice and comment rule-making on  
4 the recommendations of the Erlenborn commission which dealt  
5 with the definition of, "present in the United States," as it  
6 related to assisting eligible aliens.

7 And we were told that we should make clear in our  
8 regulations what the definition of "present" is, consistent  
9 with the recommendations of the Erlenborn commission.

10 And so we, acting through the chairman, which is  
11 me, have instructed the president to go forward in that  
12 regard. And under our rule-making protocol, once that  
13 directive is given, the president is to advise the board that  
14 we're proceeding.

15 And so I assume that will go forward. And I just  
16 wanted to emphasize, for the record, that when we adopted our  
17 new rule-making protocol, it is presumptively a protocol that  
18 will deal with negotiated rule-making. That is, the  
19 preference, the express -- and we intent to follow that.

20 It's unusual, and perhaps a little unfortunate that the first  
21 time we use it we're going to notice and comment rule-making.

22

1           But I think, given the fact that the Erlenborn  
2   commission held a number of public hearings and the issue  
3   involved is merely a clarification of our existing  
4   regulations, it seems to make sense.

5           The last item that we talked about, and received a  
6   briefing from staff, was on the regulations review task  
7   force. We're told by the task force that they have had an  
8   initial meeting, that we'll be meeting several times in the  
9   near term.

10           And by March of 2001, we'll make a formal report to  
11   the board, I guess to our committee, the ops and reg  
12   committee, as to their thoughts on what regulations need to  
13   be modified or repealed, clarified or expanded.

14           But the notion behind this task force is to  
15   identify regulations that can be clarified and perhaps  
16   somewhat limited to assist the field in performing its  
17   mission in a lawful way.

18           We asked Mr. Fortuno, in the course of our meeting  
19   yesterday -- and it really is a suggestion of Chairman  
20   Eakeley -- to see if they could provide us with a priority  
21   list of regulations for our January meeting so that we can  
22   have a sense as to where they were headed.

1           And although that's probably a real task, they  
2   agreed to try to do that, and I want to thank them for all  
3   the work that I know they're putting in to date and will put  
4   in between now and next March.

5           And that, Mr. Chairman, is basically what we did.

6           CHAIR EAKELEY: John, I think I may have a slight  
7   difference in recollection of what we were going to do with  
8   the -- with our new protocol. I think it was the committee's  
9   recommendation or motion to ask the board to propose rule-  
10   making on this subject of the recommendations of the  
11   Erlenborn I commission.

12          HON. BRODERICK: Well, I think that's probably  
13   true. If you look at the rule-making protocol, the very  
14   first thing that should have been done is that when the ops  
15   and regs committee, or LSC staff, intends to go to rule-  
16   making, we propose it should come to the board, and the board  
17   should then endorse it and then a rule-making options paper  
18   is prepared.

19          In this case, the understanding was that we had  
20   implicitly authorized it. And -- so I'm not being critical -  
21   - and it went forward. So we're now kind of running back to  
22   step one, which is okay with me, and I supposed to dot the



1 I's, we should do that.

2 M O T I O N

3 CHAIR EAKELEY: So we're converting the report to a  
4 motion by the chairman of the ops and regs committee,  
5 implicit in the report of the committee that the board  
6 propose rule-making to implement the recommendations of the  
7 Erlenborn commission.

8 MR. MCCALPIN: Notice and comment rule-making.

9 CHAIR EAKELEY: Well, I think that's up -- that's  
10 not part of -- we just adopt as the subject matter. It's  
11 understood that this rule-making is being proposed as notice  
12 and comment. But I think the protocol kind of places the  
13 board agreeing, or proposing the subject matter and then  
14 leaving it to staff and committee to decide upon the method.

15 MR. ASKEW: I second that motion.

16 HON. BRODERICK: It would be nice to do that,  
17 because otherwise, we'll have the rule before we have the  
18 authority, so I appreciate that.

19 (Laughter.)

20 CHAIR EAKELEY: Any other comments? Questions?

21 (No response.)

22 CHAIR EAKELEY: Hearing none, all those in favor?

1 (Chorus of ayes.)

2 CHAIR EAKELEY: Opposed?

3 (No response.)

4 CHAIR EAKELEY: So the ayes have it.

5 Any questions of Justice Broderick?

6 (No response.)

7 CHAIR EAKELEY: Hearing none --

8 HON. BRODERICK: Oh, that's refreshing.

9 (Laughter.)

10 CHAIR EAKELEY: I want to welcome to the meeting  
11 Vice-Chairman John Erlenborn, also.

12 Next we have, "Consider and act on the report of  
13 the Board's Annual Performance Reviews Committee." The chair  
14 of that committee, Tom Smegal, is not with us today, as I  
15 mentioned at the beginning of the meeting.

16 We all were in attendance. The purpose of the  
17 meeting was to meet in executive session with the president.

18 We have all been directed to fill out questionnaires and to  
19 submit them by the end of this week to further the process,  
20 and then the committee intends to convene and write up a  
21 report that will then be circulated to the board and to the  
22 president.

1                   So I think that, in essence, sums up Tom Smegal's  
2   report in absentia.  If there any questions?  If there are  
3   not, then we'll go on to, "Consider and act on the employment  
4   status of the Inspector General."

5                   You all should have a memorandum from me presenting  
6   a severance agreement with the inspector general that he and  
7   I had signed at the beginning of the day yesterday.

8                   In essence, this agreement undertakes to provide to  
9   Mr. Quatrevaux six months' severance for his nine years'  
10   service, the severance being composed of, in essence, the  
11   various elements of his compensation while acting as  
12   inspector general, including salary, pension, and in this  
13   case, extended health care COBRA costs, as well as permitting  
14   him to accrue vacation time for those six months.  But we  
15   will translate them into a monetary equivalent, and  
16   compensate him for that.

17                  The agreement also has a mutual non-disparagement  
18   provision in it for the life of the contract, and also an  
19   undertaking not to disclose confidential information to third  
20   parties, although it does not restrict the inspector  
21   general's ability to respond to questions from the congress.  
22   And is the practice, it also includes a general release.

1           As I advised you, I was signing this, subject to  
2   the approval by the board, for the inspector general, as you  
3   just heard a few minutes ago, has tendered his resignation.

4                           M O T I O N

5           CHAIR EAKELEY: I recommend that we accept it and  
6   accept it on the terms presented here.

7           HON. BRODERICK: So moved.

8           MR. ASKEW: Second.

9           MS. MERCADO: I have a question.

10          CHAIR EAKELEY: Maria Louisa?

11          MS. MERCADO: Okay. On the provision, page two,  
12   number four paragraph. How long is the term of the  
13   agreement?

14          CHAIR EAKELEY: Six months.

15          MS. MERCADO: Okay, I'm sorry. I understood it to  
16   mean longer than that. So it's only for the six month period  
17   of time that he would have that?

18          CHAIR EAKELEY: Right.

19          MS. FAIRBANKS-WILLIAMS: It's at the bottom of the  
20   paragraph on page one of the memorandum, "A six-month  
21   severance package," it says.

22          MS. MERCADO: Well, I understand the package is for

1     that, but I mean, the agreement can be -- the issue of the  
2     disparage faction could be for a longer period of time --

3             CHAIR EAKELEY:  It could be.  Actually, he and I  
4     discussed this.  He offered to make it for a longer time,  
5     because he thought this was ambiguous.  I explained my  
6     reading of it was six months.  I think -- I don't expect this  
7     to be an issue.

8             MS. MERCADO:  Well, I think it's ambiguous.  I  
9     agree with the inspector general on that point.

10            CHAIR EAKELEY:  Any other questions?

11            (No response.)

12            CHAIR EAKELEY:  Hearing none, all those in favor of  
13     approving, or ratifying the severance agreement -- I'm sorry,  
14     agreement in general, say aye.

15            (Chorus of ayes.)

16            CHAIR EAKELEY:  All those opposed?

17            (No response.)

18            CHAIR EAKELEY:  The ayes have it.

19                           M O T I O N

20            CHAIR EAKELEY:  We are now at that point where I  
21     will entertain a motion to go into executive session.

22            HON. ERLNBORN:  So moved.

1 MS. FAIRBANKS-WILLIAMS: Second.

2 CHAIR EAKELEY: All those in favor?

3 (Chorus of ayes.)

4 CHAIR EAKELEY: Opposed?

5 (No response.)

6 CHAIR EAKELEY: Oh, I'm sorry, Victor Fortuno just  
7 reminded me that before we do that, we have a resolution that  
8 was circulated that accepts the resignation, and I just  
9 wanted to make sure that you all have a copy of it, and it's  
10 resolution 2000-013.

11 But Victor, I think that's what we just --

12 MR. MCCALPIN: I think we should adopt this  
13 resignation separately.

14 CHAIR EAKELEY: All right, well let us go to that,  
15 then, while we're still in open session. And this is, in  
16 effect, implementing the motion that we just approved.

17 MS. FAIRBANKS-WILLIAMS: So moved.

18 CHAIR EAKELEY: Is there a second?

19 MS. WATLINGTON: Second.

20 CHAIR EAKELEY: All those in favor -- all right, is  
21 there any further discussion?

22 (No response.)

1                   CHAIR EAKELEY: All those in favor of adopting  
2 resolution number 2000-013 say aye.

3                   (Chorus of ayes.)

4                   CHAIR EAKELEY: Opposed?

5                   (No response.)

6                   CHAIR EAKELEY: The ayes have it.

7                   M O T I O N

8                   CHAIR EAKELEY: Now, I would like to entertain a  
9 motion to go into executive session.

10                  MS. FAIRBANKS-WILLIAMS: So moved.

11                  MS. WATLINGTON: Second.

12                  CHAIR EAKELEY: With Ms. Fairbanks-Williams, and  
13 Ms. Watlington's second, all those in favor?

14                  (Chorus of ayes.)

15                  CHAIR EAKELEY: Opposed?

16                  (No response.)

17                  CHAIR EAKELEY: We are now in executive session.

18 My -- for everyone's purpose, I would propose that we don't  
19 take a break. Those who might need one -- are you okay for  
20 -- I think this will take about 10 minutes in executive  
21 session, then we'll open back up for one action item, and  
22 then public comment.

1                   (Whereupon, at 11:32 a.m., the meeting was  
2 adjourned to executive session.)

3  
4                   MR. MCCALPIN: May I ask -- in a sense, go back to  
5 the item that we had just before we went into executive  
6 session and say to you that although we received a  
7 resignation from the inspector general, acting on that, I  
8 believe that the better reading of the Inspector General Act  
9 is that you should, as chair of the board which is the head  
10 of the agency, notify the congress of his removal from  
11 office.

12                  I have drafted a letter to that effect which I have  
13 given to the general counsel, but I think that it is  
14 appropriate that we send that notice that the Inspector  
15 General Act calls for --

16                  CHAIR EAKELEY: Yes, understood. But thank you for  
17 the assist. We need to do that, I agree.

18                  We also need to appoint an acting inspector  
19 general. And the inspector general has informed us that  
20 there is a succession plan posted at all times in his office,  
21 and that plan contemplates, in the event that Mr. Quatrevaux  
22 shall no longer serve as inspector general, that the



1 assistant inspector general for audits, Leonard Koczur,  
2 succeed him as acting inspector general. That is, in fact,  
3 the recommendation that Mr. Quatrevaux has made to us.

4           The board has Mr. Koczur's resume, and it also  
5 recalls that he's been with us for the last two-and-a-half  
6 years, tapping a long career of public service. I have  
7 checked him out a little bit more on my own, and came back  
8 with the conclusion that this was someone who was truly and  
9 thoroughly professional, and I am very comfortable in making  
10 the recommendation that the board act favorably, and appoint  
11 Leonard Koczur as acting inspector general.

12           With that should come, under our personnel policy,  
13 as I understand it, a seven percent increase in his salary as  
14 he moves up to the next whatever it's called -- pay period --  
15 thank you, Alice -- pay band, which would take his  
16 compensation from something like \$93,000-and-change up to  
17 about or almost exactly \$100,000.

18           So, my proposal would be that the board appoint  
19 Leonard Koczur as acting inspector general with the  
20 understanding also that in accordance with our personnel  
21 policies, his salary would experience a commensurate

22                                   M O T I O N

1           MR. MCCALPIN: Mr. Chairman, I would move  
2 resolution 2000-014, as presented to us with two very minor  
3 typographical --

4           CHAIR EAKELEY: You'd take the "D" out of "and."

5           MR. MCCALPIN: Pardon?

6           CHAIR EAKELEY: You're going to take the "D" out of  
7 "and."

8           MR. MCCALPIN: Yes, and take the "all" out of the  
9 next sentence.

10          MS. FAIRBANKS-WILLIAMS: I have 2000-015, you said  
11 2000 --

12          CHAIR EAKELEY: No, this is another one, but you  
13 should have 2000-014, Edna.

14          MS. MERCADO: Not five?

15          CHAIR EAKELEY: No. Where is the "all?"

16          MR. MCCALPIN: In, "To maintain continuity --"

17          CHAIR EAKELEY: Oh, right, right. Okay, this is  
18 the resolution appointing Leonard Koczur as acting inspector  
19 general. Does everyone have -- is there a second to the --

20          HON. ERLNBORN: Second.

21          MS. WATLINGTON: Second.

22          CHAIR EAKELEY: Is there any discussion? Any

1 questions?

2 MR. MCCALPIN: Well, Mr. Askew has pointed out that  
3 the word "and" is missing after the second "whereas," though  
4 it appears after all the others.

5 MS. MERCADO: Now, what? Where?

6 MR. ASKEW: I'm in a state of depression. Mr.  
7 McCalpin missed that.

8 (Laughter.)

9 MS. MERCADO: I see, I see.

10 CHAIR EAKELEY: Victor, do we need to amend this to  
11 include the seven percent salary increase, or does that  
12 happen, Alice, when Mr. Koczur goes up to the next salary  
13 band?

14 Okay, let's act on resolution 2000-014. All those  
15 in favor?

16 (Chorus of ayes.)

17 CHAIR EAKELEY: Opposed?

18 (No response.)

19 CHAIR EAKELEY: The resolution passes. Leonard,  
20 congratulations.

21 M O T I O N

22 CHAIR EAKELEY: Next, the board will entertain a

1 motion to ratify, affirm, approve the salary adjustment to be  
2 made in accordance with our personnel policy, given that Mr.  
3 Koczur has now been appointed acting inspector general.

4 HON. BRODERICK: So moved.

5 MS. MERCADO: Second.

6 CHAIR EAKELEY: Any further discussion?

7 (No response.)

8 CHAIR EAKELEY: All those in favor?

9 (Chorus of ayes.)

10 CHAIR EAKELEY: Opposed?

11 (No response.)

12 CHAIR EAKELEY: The ayes have it.

13 My intention was to ask the board to authorize me  
14 to appoint a search committee. I'd like to consider -- in  
15 fact, I think we will go ahead with that authorization, but I  
16 want to talk to people about the process moving forward and -  
17 - or, we can defer that until the January meeting, given the  
18 fact that we have the holidays and the election and an as-yet  
19 -- well --

20 MR. MCCALPIN: My own feeling is we we're well off  
21 -- well enough along. Let us move forward. We have a new  
22 acting inspector general and I think we can afford to take

1 our time worrying about a full-blown search.

2 CHAIR EAKELEY: My proposal would be to defer that  
3 to the January meeting, if that's acceptable to you. I  
4 suspect Leonard would be comfortable with that also, so --  
5 all right. Well, with that, I have to bid you farewell so  
6 that I can bid my daughter farewell before she departs to  
7 take up residence in another country.

8 So I will turn the meeting over to Vice-Chairman  
9 John Erlenborn, and wish you all a happy Thanksgiving.

10 PARTICIPANT: Same to you.

11 MS. MERCADO: And Christmas.

12 HON. ERLENBORN: The next item on the agenda is to  
13 consider and act on other business. Is there any other  
14 business to consider?

15 MR. MCCALPIN: No.

16 HON. ERLENBORN: Hearing none, the last item is  
17 public comment. Is there anyone from the public who would  
18 like to comment?

19 PUBLIC COMMENTER: Yes.

20 HON. ERLENBORN: Please come up and identify  
21 yourself.

22 MR. HULL: My name is Kent Hull. I'm an attorney

1 from South Bend, Indiana. I'm appearing here today  
2 individually and personally. But for purposes of  
3 identification alone, I am supervising attorney of the Older  
4 Adult Impact Project of the legal services program of  
5 northern Indiana and South Bend. I'm also an adjunct  
6 associate professor at the Notre Dame Law School.

7 HON. ERLENBORN: Can I interrupt for just a minute?  
8 Have you a card you could leave for the court reporter?

9 MR. HULL: I'm sorry, I didn't bring a card with  
10 me.

11 HON. ERLENBORN: Would you give us your name again?  
12 It's spelled --

13 MR. HULL: Sure.

14 HON. ERLENBORN: -- for the record.

15 MR. HULL: It's Kent, K-e-n-t Hull, H-u-l-l.

16 HON. ERLENBORN: Thank you.

17 MR. HULL: Okay. I asked to speak at the public  
18 meeting, or at the public portion of this. I'll try to be as  
19 brief as I can, because I realize you're coming to the end of  
20 a long meeting.

21 Since arriving here yesterday, and listening to  
22 some of the committee reports and the meetings today, I've

1 sort of changed what I was going to say, and I've kind of  
2 thrown away what I was going to say, because some of what  
3 you've said changed my perspective on some things.

4           What really drew me here initially -- and I should  
5 say that I'm not just here alone, but on behalf of a group  
6 called The Committee for Effective Legal Services, which is  
7 kind of an ad hoc group that some of us concerned about legal  
8 services in Indiana have formed, particularly in relation to  
9 the issue of merger and mandated merger -- but what drew me  
10 here was actually Mr. Askew's article that appeared about  
11 merger. I think it was in the management exchange  
12 newsletter. And I want to get to that in just a minute.

13           More recently what brings me to talk with you is  
14 something which I heard Justice Broderick say here this  
15 morning which, as he was talking to the inspector general,  
16 which is that even though they may have disagreed from time  
17 to time, it has been a principled disagreement.

18           And that sort of says, in essence, what I would  
19 like to convey to the board about some of the things that  
20 have happened in Indiana over the last year, year-and-a-half,  
21 maybe even two years. There have been some principled  
22 disagreements.

1           I was very interested to hear, by the way, your --  
2   the comments about bringing corporate lawyers and corporate  
3   in-house counsel into the public interest sector, and I  
4   thought I heard Mr. Askew refer to the Coca-Cola lawyers --  
5   not quite sure how much they were doing -- which reminded me  
6   that Father Hesberg, of Notre Dame, as our president emeritus  
7   before he retired, wanted to invite the CEO of Coca-Cola, who  
8   I think his name is Mr. Keough, to be the president of the  
9   board of trustees of Notre Dame.

10           And Mr. Keough said he was just too busy to do it,  
11   so Father Hesberg flew down to Atlanta, took him out to lunch  
12   and said, "I want to tell you something. When you meet St.  
13   Peter at the pearly gates, he's going to ask you what you did  
14   on earth. And if you tell him that you were CEO of Coca-  
15   Cola, he's going to say, 'I don't know what Coca-Cola is, and  
16   that doesn't mean anything to me.'

17           "But if you tell him that you were president of the  
18   board of trustees of Notre Dame, he will let you through the  
19   gates right away." And so that's probably one reason why  
20   Father Hesberg was able to raise as much money as he has for  
21   the endowment of Notre Dame, but Mr. Keough joined the board  
22   of trustees shortly thereafter.



1           I was going to suggest that when I get back to  
2 South Bend, maybe we could enlist Father Hesberg and send him  
3 down to the corporate legal department there to talk to the  
4 lawyers.

5           But anyway, you may have heard indirectly about  
6 what's been going on in Indiana, or different versions of  
7 what's been going on. And this has been a very, very  
8 difficult time for those of us who are in legal services.

9           I have been in my present position of supervising  
10 attorney of the Older Adult Project for 15 years -- actually,  
11 a little bit longer. I have been a practicing attorney for  
12 28 years. I have been an adjunct faculty member at the Notre  
13 Dame Law School since about 1992, I think. And this has  
14 been, I think, the most difficult professional experience  
15 I've ever been through.

16           To many people from the outside looking in from the  
17 outside, it probably appears to be something in the way of a  
18 personality clash, a turf clash, that kind of thing, kind of  
19 the bureaucratic arguments that people have from time to  
20 time. Of course, there are those elements in it, because  
21 we're all human.

22           But those of us who have been the centers, I guess,

1 in this debate about merger in Indiana have, I think, tried  
2 to keep our arguments on a principled basis, and that's what  
3 I was thinking about earlier. We could have engaged in the  
4 personality attacks, but we didn't, and I'm not interested in  
5 doing it now.

6           To make this -- what may be a little abstract right  
7 now, to make it a little more concrete, let me tell you that  
8 about two months ago in our office in South Bend, we lost the  
9 best receptionist that we've ever had, a young African-  
10 American woman who just probably should have been working for  
11 the State Department, given the way that she could handle the  
12 incoming calls, and the people who think that it's sort of  
13 like calling Dr. Ruth to get advice. And of course, we can't  
14 do that, but she was very diplomatic. I don't think I ever  
15 heard her raise her voice, which is something I've never been  
16 able to claim.

17           But she left, and she told me she left because of  
18 all the uncertainty related to merger. You can ask her  
19 directly, I can give you her name and phone number. She  
20 would tell you that. She went to work for the prosecutor's  
21 office in our county.

22           Just about the same time, not in our office but in

1 another office in Indiana, a young woman who had been a legal  
2 services attorney for about six years, from the day she got  
3 out of law school, and had done great work in terms of Social  
4 Security, disability, very successful, called me to tell me  
5 that she was leaving her job.

6           And she said, "I'm leaving because of the merger  
7 situation." And she said, "I'm leaving because what we're  
8 going through every year for the past five or six years, it  
9 has been more and more uncertainty." "I went into legal  
10 services," she said, "with the -- not with the idea that I  
11 was ever going to become a millionaire, I fully expected to  
12 retire from legal services." But she says, "I have to have  
13 some kind of security, some kind of stability. I cannot work  
14 in chaos." And that's not a direct quote, but that's the  
15 essence of what she was saying to me, and I think it's a fair  
16 essence of what she was saying to me.

17           So I -- what brings me to talk with you -- and this  
18 is from what you wrote, Mr. Askew, in your article, and what  
19 -- you just talked to the project directors in the southeast  
20 part of the country.

21           You said, "I want you to stop focusing on LSC  
22 motives and analyzing us every move, and concentrate

1 primarily on what you know about your state, the delivery  
2 system there, and perhaps uncomfortably, on the deficiencies  
3 in the system. Focus on what you know needs to be done, how  
4 best to get it done, and then fit that into the LSC  
5 directives."

6           That's really the way it should go, but it hasn't  
7 gone that way in Indiana. It has been enormous turmoil.  
8 There's no doubt in my mind we're going to have a merge  
9 program, because only one program submitted a proposal.

10           But I think you should also understand that those  
11 of us who have voiced dissent, the principles and the  
12 concerns we've had are matters of which you should be aware  
13 in your thinking about legal services in general.

14           You may know or remember that I was one of the  
15 people who raised questions about client confidentiality, and  
16 the authority of the corporation to look at client files. I  
17 did -- and this was not in relation to the data call  
18 arrangement, this was with the so-called independent  
19 auditors.

20           I did so after the executive director of our state  
21 disciplinary commission, which is an arm of the supreme  
22 court, which is the arm that basically recommends disbarment

1 and discipline said to me, "Don't show them your files."

2 And he's a former legal services lawyer, his name  
3 is Don Lindberg. He was director of litigation for, I don't  
4 know, 10 years or so with the Legal Services Organization of  
5 Indiana in Indianapolis.

6 We presented a petition to our supreme court asking  
7 them to rule on the question and they declined to rule,  
8 saying that they did not want to exercise jurisdiction under  
9 these circumstances, and told us that we might consider some  
10 other things like federal lawsuits, or negotiation, and that  
11 sort of thing.

12 But about a month after that happened -- and I  
13 thought we'd just kind of lost -- but a month after that  
14 happened, the chairperson of the ethics committee of the  
15 Indiana State Bar Association said in the state's largest  
16 newspaper, "We told the legal services lawyers not to show  
17 our files to people -- their files to the auditors."

18 So his position, apparently, remained what it was,  
19 because I had also talked to him after I talked to Lindberg.  
20

21 We also talked to senior lawyers in the largest law  
22 firms of our state, who gave us letters saying, "Don't

1     release your files."

2                   We talked to Professor Thomas Schaeffer, former  
3     dean of the Notre Dame Law School, and a nationally  
4     recognized authority on legal ethics. Unequivocally,  
5     Schaeffer said -- Professor Schaeffer said, "Don't show your  
6     files."

7                   My view on this matter was that there were  
8     arguments going both ways. I recognized and tried to  
9     understand what I thought the corporation's position was,  
10    which was that the auditors work for the local programs, they  
11    fall within the attorney-client privilege, and it occurred to  
12    me that very likely a court could say that's exactly right.

13                  I should also add that our malpractice insurer told  
14    us that there would be a serious question about whether or  
15    not our insurance would cover us if we permitted the auditors  
16    to look at them.

17                  So to me, when you're faced with that situation as  
18    a lawyer, what you do is you go to a court and you ask for  
19    something like a declaratory judgement. You say there's just  
20    an honest dispute here. Please rule, please tell us what to  
21    do.

22                  And that action, apparently, was sort of regarded

1 as treasonous by some people in Indiana. But anyway, that's  
2 what happened there. I still feel the same way I do (sic) --  
3 in fact, I feel more so now than I did then.

4 One thing that has motivated me as -- when we first  
5 talked about this, we contacted Professor Jerry Sinkton, who  
6 I was told was connected with the Harvard Law School -- I  
7 don't know if he is, or not -- he advised us that the  
8 corporation was correct.

9 On October 2nd of this year, we got an e-mail from  
10 him indicating that apparently he's changing his position,  
11 apparently indicating that he -- well, I'm not sure if I  
12 understand it, you can read it yourself, but it certainly is  
13 not the unequivocal position that he gave us before.

14 All of this led me to believe that whatever a court  
15 would ultimately say, I did not think that lawyers should  
16 have to risk any -- should risk their careers. And more  
17 importantly, in our state, our supreme court has held very  
18 clearly that even an inadvertent waiver of the attorney-  
19 client privilege results in the file becoming open.

20 So I can imagine, in a hypothetical, that in a  
21 domestic violence case, if that file had been looked at, the  
22 opponent could then discover the file and information that

1 shouldn't be available in domestic violence cases would  
2 become available.

3           That was one of our principle bases of disputes in  
4 Indiana. Another one, though, I think has become this whole  
5 idea for us, some of us, that right now -- you know, there  
6 are some people in Indiana who think that those of us who are  
7 working here in legal services do so because we cannot find  
8 employment elsewhere.

9           That's not right, but to me, the principal question  
10 is not who is working where, or what, but how we're going to  
11 protect our clients in this situation, through -- if there is  
12 a merger, if there is a transition, how do we make sure that  
13 clients are served in a way they should be served?

14           And when I hear people talk about the importance of  
15 judicial independence, and with the ABA projects, that kind  
16 of thing, it seems to me that the independence of legal  
17 services lawyers is just as critically important.

18           I'll be very frank. I'm here because a number of  
19 people chipped in to buy me a ticket on an Amtrak to send me  
20 to Washington. And I'm going to go back on an Amtrak  
21 tomorrow afternoon, and then I'm going to think a long time  
22 as I go through the Ohio prairie about whether or not we need



1 to ask a court in Indiana to supervise the merger process. I  
2 don't know, it's just a thought, but it occurs to me.

3 I'm also concerned, as I listened to some of the  
4 discussions yesterday -- and I came into the middle of this,  
5 so I didn't hear everything -- but there's been so much  
6 emphasis with respect to compliance.

7 I don't have any problem with the idea of our  
8 complying with the laws that Congress imposes, at least if  
9 they're upheld by the courts, but I do have trouble with the  
10 idea, number one, that in the compliant procedure we create a  
11 perception that legal services lawyers are sort of like  
12 unruly children out there, and that they have to be  
13 restrained.

14 I think we're quite responsible. I think if you  
15 went to the judges before whom our lawyers practice, they  
16 would tell you that we're quite responsible. I don't know  
17 anybody in legal services in Indiana who has ever been  
18 sanctioned in any way whatsoever. I can't say that about any  
19 other group of lawyers in the state.

20 I'm also concerned with respect to compliance in  
21 the sense that it seems to me that enforcement is on a  
22 selective basis. I could be wrong about this, but when I

1   hear so much concern about, "Do we have citizenship cards, or  
2   client retainer agreements in the files," and, "We want to  
3   see those files," that's important for sure, because that's  
4   the law, but for example, is there any enforcement of  
5   compliance for local programs to make sure that they're  
6   acting consistently with the Americans with Disabilities Act?

7               I don't know. I've talked informally with some of  
8   your staff members who have given me some information in the  
9   last day or so, so I've got some general information, but  
10   wouldn't it be interesting if compliance with the ADA by  
11   local programs became just as important for the inspector  
12   general, or whoever is doing it, as compliance with the  
13   citizenship requirement? Many, many of our clients are  
14   disabled, and so this is quite important.

15              So that's basically what I'm here to say. I have  
16   appreciated listening to these discussions, and the  
17   presentations by the ADA representatives and NLADA  
18   representatives.

19              I think this report that we heard about this  
20   morning on public perception is one of the most encouraging  
21   things I've heard about, and I certainly hope this  
22   information is disseminated to the field. It reinforces my

1 own gut feeling about the public's perception of what we do.

2

3 But at the same time, I have to say -- well, for  
4 example, my program, unfortunately, decided to withdraw from  
5 NLADA because, I guess, we just had to spend the money on  
6 something else, I think that was unfortunate.

7 But it may also be time for some of us to present  
8 new voices, new points of view in this process, in addition  
9 to the points of view that you're hearing. And so you may  
10 hear from us.

11 So I just wanted to say this before you, and  
12 explain what's going on, and that's basically all I have to  
13 say. I thank you for your attention.

14 HON. ERLLENBORN: Maria?

15 MS. MERCADO: Yes. I was taking notes as you were  
16 talking, and I'm -- maybe I missed it, I'm sorry, but I think  
17 you started talking about your concerns with the merger in  
18 Indiana, and whatever else, but you never actually talked  
19 about what the problem --

20 MR. HULL: I'm sorry --

21 MS. MERCADO: -- what problems you specifically had  
22 with the issue of merger. I mean, you didn't go into that.

1     You started to talk about it, but then --

2                 MR. HULL:   Okay.

3                 MS. MERCADO:  -- we didn't get a sense of what  
4     problems it was that you had.  I know you mentioned Mr.  
5     Askew's article, but I still wasn't very clear as to what the  
6     difficulty was that you were having in Indiana.

7                 MR. HULL:   Well, let me mention a couple things.  
8     And again, this is my own perception, but I think it would  
9     reflect what other people would say.

10                I think that the principal problem with merger in  
11     Indiana was that the impetus came from outside the state.

12                Now, I'm not concerned that somebody -- the  
13     corporation says, you know, "Gee, you could do it better if  
14     you could be more cooperative.  You could save some money,  
15     you could eliminate, whatever, some inefficiencies."

16                That doesn't bother me at all.  I think that's part  
17     of your job.  But I mean, I -- if Mr. Eakeley were here, I  
18     would say I was going to pick on him for just a minute,  
19     because I think I heard at some point somebody say that there  
20     are still going to be 14 separate programs in New Jersey.

21                MS. MERCADO:  That's correct.

22                MR. HULL:   And said that they're well-integrated.

1           Now to me, you know, I thought our programs in  
2   Indiana -- we have four of them -- I thought they were  
3   relatively well-integrated. Certainly we never had the kind  
4   of problems that we seem to be having right now. So one  
5   problem was, I think, this impetus from the outside.

6           At the same time, another second problem was, I  
7   think there was an attempt to, frankly, manipulate the  
8   process. Some of us who had strong feelings about this  
9   wanted to be heard and were more or less excluded from the  
10   process. Committees were set up, task forces were set up,  
11   and the functions of some of those committees and some of  
12   those task forces just simply rubber-stamped what some people  
13   wanted.

14           So if you want people with you, as somebody said in  
15   the recent election, if you want people with you on the  
16   landing, you've got to have them with you on the take-off.  
17   And we weren't with them on the take-off. That was part of  
18   the problem.

19           MS. MERCADO: But you're not saying that LSC and  
20   the national office set up these committees and these task  
21   forces, are you?

22           MR. HULL: Well I don't -- no. I think -- I don't

1 know.

2 MS. MERCADO: I mean, isn't this set up in Indiana?

3 MR. HULL: Well, let me put it like this. I mean,  
4 I frankly don't know how they were set up. I do know the  
5 first time I met John Orango was about December 4th of last  
6 year, when he came to South Bend with a representative of one  
7 of the other programs, the largest program, and he was  
8 introduced to us as a facilitator.

9 To me, a facilitator is like an outside person, a  
10 mediator, an arbitrator, someone who is coming in to give you  
11 an objective view of all this. I later found out that  
12 basically he was an employee of the corporation. But then --

13 MS. MERCADO: No, he's not an employee of the  
14 corporation.

15 MS. WATLINGTON: And he is a trainer.

16 MS. MERCADO: He's a trainer and consultant, and a  
17 lot of programs hire him independently to consult in their  
18 state planning programs, or anything else.

19 MR. HULL: So --

20 MS. MERCADO: But the LSC didn't hire him. I just  
21 wanted you to know that, for the record.

22 MR. HULL: So he's not being paid by contract by

1 LSC at all?

2 MS. MERCADO: He's not our employee, no.

3 MR. HULL: Well, is he a contractor?

4 MS. MERCADO: I don't know whether he's a  
5 contractor in some situations or in some situations not.  
6 Some states hire him independently as a consultant to help  
7 them do state planning.

8 MS. WATLINGTON: In Pennsylvania, we have hired him  
9 -- counsel -- to do training.

10 MR. HULL: Well, somehow he was getting a  
11 substantial amount of -- we understood -- of LSC money. Now,  
12 I don't -- I mean, again, I don't know.

13 MS. MERCADO: Yes, go ahead. That's fine.

14 MR. MCKAY: If I may, Mr. Chairman, my  
15 understanding of that relationship is that through the  
16 technology assistance funds requested initially by NLADA, we  
17 agreed to fund Mr. Orango as a consultant to Indiana after he  
18 was recommended to us by the group working in Indiana. So  
19 they designated Mr. Orango, and in support of their state  
20 planning efforts, we paid for him.

21 MR. HULL: That's kind of what I -- something like  
22 -- I mean, I didn't know the exact arrangement.

1           I think it would have been helpful -- for example,  
2   I asked him at the time he came in, because his name was  
3   listed with the ADA Equal Justice Project. On their Website  
4   he's listed as a consultant with them, and he told me that he  
5   was not connected with them anymore.

6           The last time I looked at the Website, his name is  
7   still listed there, so I don't know what's going on. But  
8   whatever happened there -- and I don't know what the  
9   arrangement was -- it created a problem in terms of  
10   perception.

11           We created -- or, we didn't create -- I guess the  
12   four executive directors created a state support center,  
13   appointed an attorney to it, and there was never any  
14   competition for the job. She was just appointed, and they  
15   called her an interim director. She's been interim for a  
16   year-and-a-half or two years. That raises questions in my  
17   mind. So those kinds of things occurred.

18           MS. MERCADO: But I mean, that's -- I guess I'm  
19   trying to figure out decisions that are being made by your  
20   state, by your people, and that are stakeholders, including  
21   legal services programs and the delivery of legal services to  
22   the poverty community in Indiana, and I'm not sure that that



1 is a function that we had in making that decision. I mean, I  
2 don't think we're involved in who locally hires whomever to  
3 do any of the programs, or statewide programs.

4 MR. HULL: Well, you've got a regulation 45CFR part  
5 -- section 1630 that talks about hiring of attorneys. It's  
6 very specific. It's an LSC reg -- rule, and it talks about  
7 posting job descriptions and inviting competitive --

8 MS. MERCADO: But that's something that your state  
9 is doing. I mean, you're not saying that LSC went and hired  
10 this woman --

11 MR. HULL: No.

12 MS. MERCADO: -- and had her be the interim  
13 director of the state planning, is that --

14 MR. HULL: No, what I am saying is LSC was aware of  
15 -- or, these people in LSC were aware of the way things were  
16 being set up in that regard.

17 MS. MERCADO: Is -- those are some of the problems  
18 that you were talking about, as far as mergers?

19 MR. HULL: Pardon me?

20 MS. MERCADO: So that is the problem that you were  
21 talking about, as far as the merging of the programs?

22 MR. HULL: Well yes, as well as the overall fact of

1 for example, all right, say we try to talk about the merits.

2

3 The first question that we asked when John Orango  
4 came in was, you know, "What experience has it been in other  
5 states?" You know, "Do clients get served better? Do things  
6 work better? In some way are programs more efficient?"

7 And what he said to me was that we don't know. And  
8 basically he said LSC doesn't care.

9 MS. WATLINGTON: I'll say I've trained with -- and  
10 worked with John Orango for many, many years. I can't see --  
11 of anybody, I can't picture John Orango having that type of  
12 personality. He doesn't come in and tell you, he just works  
13 with you to work well with yourself.

14 There's not -- that's not his style, and I just  
15 can't picture him saying that to someone.

16 MR. HULL: Well, I can see we've had different  
17 experiences, then.

18 MS. WATLINGTON: Yes, very much so.

19 HON. ERLLENBORN: Any further questions? Comments?  
20 If not, let me thank you, Mr. Hull.

21 MR. HULL: Thank you for your time.

22 MR. ASKEW: Let me just briefly comment.

1           HON. ERLÉNBN: Bucky?

2           MR. ASKEW: We don't know each other, Mr. Hull.

3           MR. HULL: No.

4           MR. ASKEW: Whenever I say anything or write  
5 anything, I make my fellow board members incredibly nervous,  
6 and probably the audience gets incredibly nervous.

7           But the speech I gave in St. Petersburg, which  
8 ended up being the article in the journal, you did quote that  
9 correctly.

10           And I cited John Orango in that speech as a person  
11 that I admired and respected greatly, and who had some very  
12 cogent things to say about state planning in an article he  
13 also wrote in the journal that I quoted from in my speech,  
14 because I knew that those program directors in the South, as  
15 well as people who work for the Legal Services Corporation  
16 admire him immensely, and the work that he does.

17           He was working for the programs, he wasn't working  
18 for us, regardless of who paid him. He was a consultant to  
19 them to do as they wanted done.

20           My understanding is that a plan has been adopted in  
21 Indiana that has been agreed to by the state planners in that  
22 state, and you're essentially dissenting from that plan, and

1     don't agree with the outcome of that plan, which I  
2     understand.

3                 I think you did a mailing to the board last year,  
4     which I read.  Quite extensive, you're quite a good advocate.

5     I'm sure you have won a lot of cases, and you've probably  
6     lost a few cases.  And you know that in an advocacy situation  
7     sometimes you don't prevail.

8                 It sounds like in this case, that your view of the  
9     particular issue of merger and consolidation and how the  
10    state plan should be developed in Indiana, you did not  
11    prevail.

12                And I understand that, and I appreciate your views,  
13    but it sounds like the planners in Indiana have now made  
14    their decision and it's going forward.  It's consistent with  
15    the requirements of our program letters to them in terms of  
16    what they were required to do.

17                That's essentially the outcome, is that correct?

18                MR. HULL:  Well, it's -- I guess it would only be  
19    partially correct.  It depends on what you mean by planners.

20    The best answer I could give to you is the statement made by  
21    one of our board members, who is another professor Notre  
22    Dame, and has been there for over 50 years, who said in

1 December at the board meeting, "We're doing this because we  
2 have a gun at our head."

3 So if you want to say that the planner agreed to  
4 it, they did. But that's what he said.

5 MR. ASKEW: Okay. If the gun was those program  
6 auditors, if that's what they mean by gun, then every state  
7 in the country essentially had a gun at their head, because  
8 we ask every state in the country to do what Indiana was  
9 asked to do, and they are now in the various stages of doing  
10 that, all over the country.

11 MS. MERCADO: And that has been going on for about  
12 35 months, which is almost 3 years. So it isn't something  
13 that just happened within the last couple of months. It's  
14 been ongoing for quite some time, giving the states the  
15 opportunity to come up with their own plan, with what works  
16 best for them.

17 And obviously, as Bucky said, in those situations,  
18 unfortunately, there's not going to be 100 percent agreement  
19 between all those programs. And there's some compromises,  
20 there's a consensus that finally is reached by them.

21 But by no means have I taken -- at least in the 35  
22 months that we've been working with state planning, as board

1 of directors -- you know, we're trying to cram things down  
2 people's throats. That has been the opposite, in trying to  
3 give as much leeway to bring as many partners into that  
4 decision for that state, as to how best to deliver legal  
5 services.

6 HON. ERLLENBORN: I think it's important to note  
7 that what the corporation has mandated is a process, not the  
8 outcome. And you seem to have the feeling that we have  
9 somehow or another mandated the outcome.

10 MR. HULL: I think you've exactly stated the point,  
11 which is that I think the process didn't work the way you all  
12 think it works. And you're right, I mean, when you go to law  
13 school, you learn to separate the process from outcome and  
14 process from result, and we all -- legally, you want to  
15 achieve a result, but you've got to go through a certain  
16 process.

17 And I guess my point in coming here is not just  
18 simply to rail about what may or may not have happened. I  
19 mean, I don't want to attack John Orango personally, I mean,  
20 you know, whatever, I'm just saying what my perception was.

21 But I can tell you that as you work with this  
22 across the country and other states and other jurisdictions,

1     don't replicate the Indiana experience. Do it differently  
2     and do it better.

3             Because otherwise, that receptionist and that  
4     lawyer that went out the door -- the phones are going to be  
5     there ringing, and nobody is going to be there answering  
6     them, so you need to think about how this can be much better  
7     improved. I guess that's what I want you to understand.

8             HON. ERLENBORN: Just for clarification, you said  
9     that you recognize that it was a process, but in Indiana the  
10    process broke down. By that, do you mean that the process  
11    finally turned into a mandate by the corporation, or was it  
12    within Indiana that it broke down?

13            MR. HULL: In -- well, first of all, I was outside  
14    the process. There were board members who could tell you  
15    more about that, and might very well tell you. I mean, so  
16    when I -- to say the process broke down, I think one way it  
17    broke down was the exclusion of some people who should have  
18    been heard in some way. But --

19            HON. ERLENBORN: Now, was that an LSC decision?

20            MR. HULL: No, I don't think it was an LSC  
21    decision. I think that was --

22            HON. ERLENBORN: All right. I'm trying to find out

1 from you, really, very frankly, your disagreement with what  
2 the LSC did. Now, you may be disagreeing with the planning  
3 group in Indiana, but --

4 MR. HULL: Well --

5 HON. ERLENBORN: -- again, we didn't mandate what  
6 they would do.

7 MR. HULL: And that's what I'm trying to get to,  
8 which is that the LSC connection in the process, in my  
9 opinion, is that whenever questions were raised by anybody in  
10 the process that went against merger, the answer seemed to  
11 come back we don't have a choice, we have to do it, we have a  
12 gun at our heads, that kind of thing. That wasn't done by  
13 people in Indiana.

14 HON. ERLENBORN: I don't think we can be  
15 responsible for those comments.

16 MR. HULL: Well, then maybe somebody misrepresented  
17 --

18 HON. ERLENBORN: You know, I would be very  
19 surprised if those comments were accurate. Because again, we  
20 were not mandating outcomes. And apparently, you had -- it  
21 was the group within Indiana that came up with the conclusion  
22 that was different than what some other people thought it



1     ought to be.

2                   But all the corporation did was to say it would be  
3     well -- that we wanted every state to consider a plan for the  
4     state to see that there is cooperation, there isn't  
5     overlapping, and so forth. I don't know any instance where  
6     we went into a state and said, "You have to go from four to  
7     two programs."

8                   MR. HULL: Well, you know, I guess there are people  
9     in Indiana, certainly in the Fort Wayne program -- and to  
10    some extent in the Gary program that would disagree with that  
11    perception.

12                   I do not think the corporation was seen as being  
13    that removed, or that objective, but I'm just telling you  
14    what I know. Thank you for your attention.

15                   HON. ERLENBORN: Thank you, again. Any other  
16    people from the general public who would like to make a  
17    statement?

18                   (No response.)

19                                   M O T I O N

20                   HON. ERLENBORN: If not, I think that the motion to  
21    adjourn is in order.

22                   MS. FAIRBANKS-WILLIAMS: So moved.

1 MS. WATLINGTON: Second.

2 HON. ERLENBORN: So, moved and seconded, we may

3 adjourn. All those in favor, say aye.

4 (Chorus of ayes.)

5 HON. ERLENBORN: It's unanimous.

6 PARTICIPANT: Good job.

7 (Whereupon, at 12:37 p.m., the meeting was

8 adjourned.)